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TOBACCO SITUATION

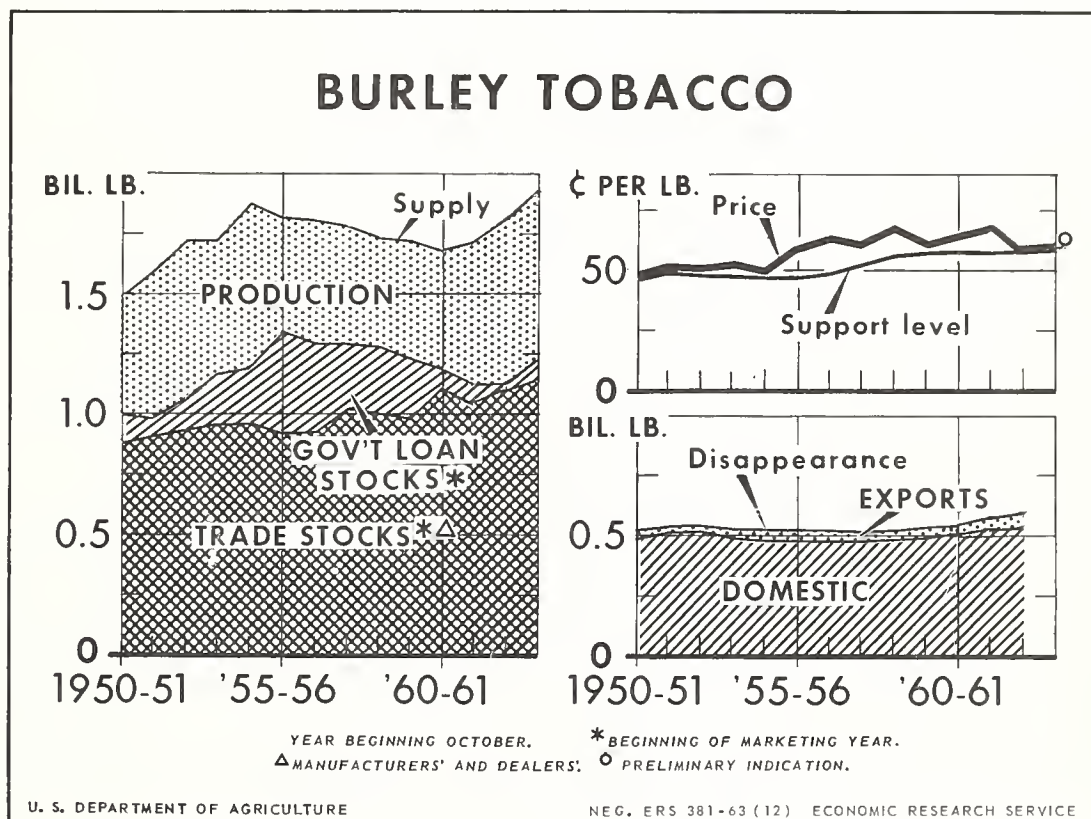


TS-106

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DECEMBER 1963

Total supply of burley for 1963-64, at 1,938 million pounds, is 7 percent above 1962-63 and the largest on record. Carryover was up 8 percent. The 1963 crop topped last year's high by 5 percent. Through mid-December, about 26 percent of 1963-crop marketings was placed under Government loan, in contrast with 6 percent a year earlier and only about 1 to 3 percent in the 6 previous seasons. Carryover on October 1, 1964, likely will show a further increase and approach the 1955 peak. In the 1962-63 marketing year, domestic use and exports rose 1 and 18 percent, respectively, to new highs.



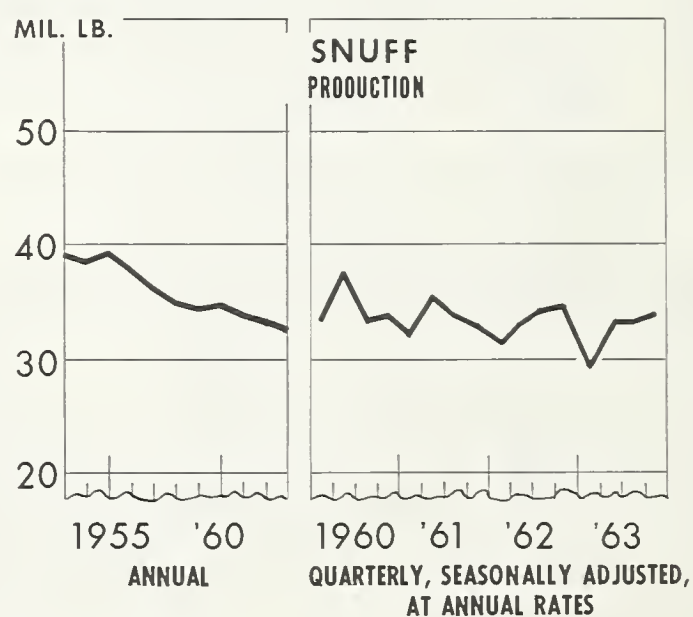
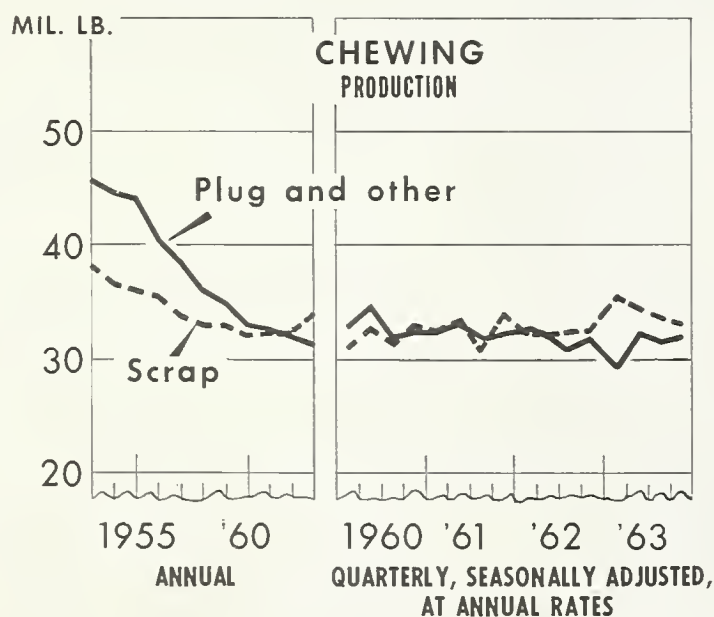
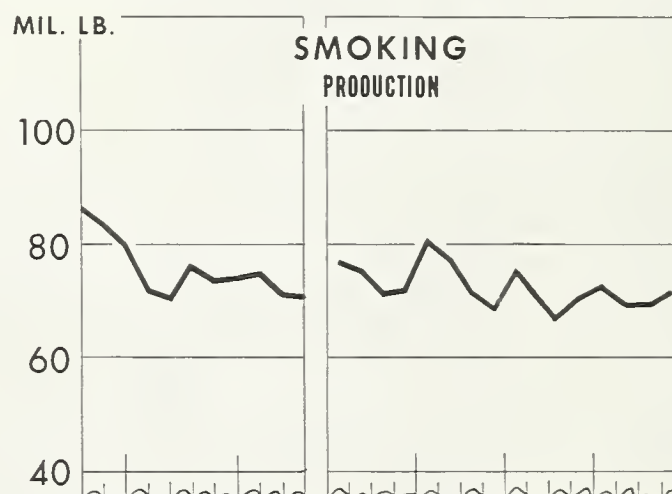
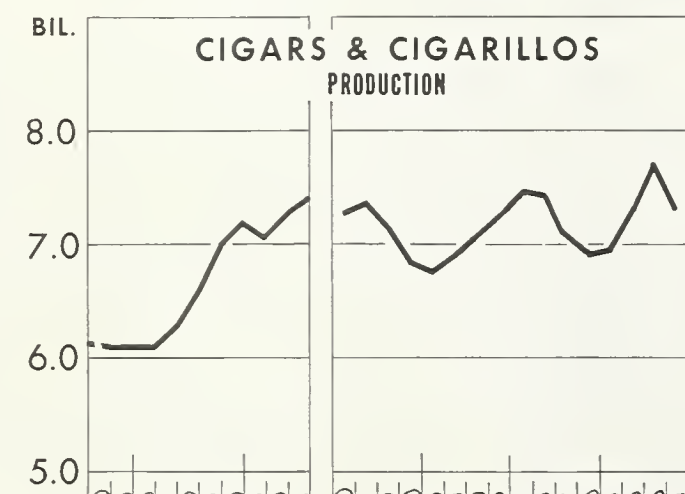
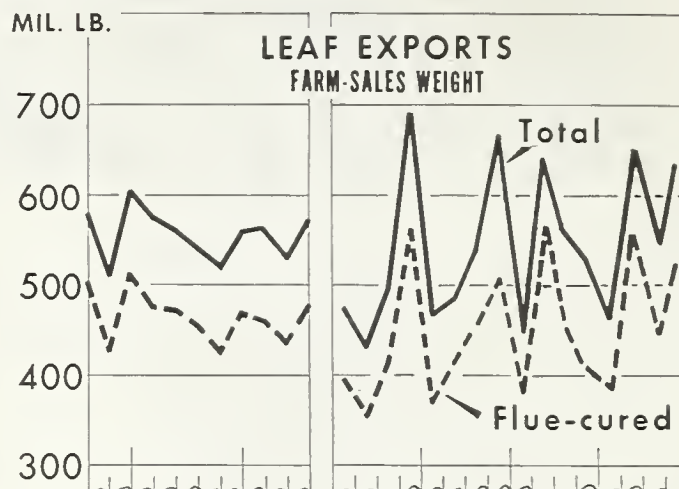
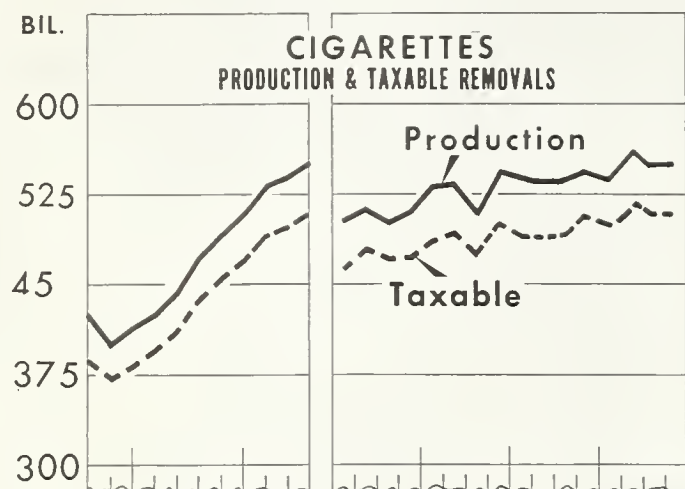
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TOBACCO PRODUCTS
EXPORTS AND FOREIGN TOBACCO
TOBACCO IMPORTS
LEAF SUPPLIES AND USE

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TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



1963 ANNUAL AND LAST QUARTER, PARTLY ESTIMATED.

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T H E T O B A C C O S I T U A T I O N
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Approved by the Outlook and Situation Board, December 20, 1963

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SUMMARY

In 1963, for the seventh consecutive year, cigarette output and consumption reached new highs. Cigar and cigarillo consumption was probably the highest in 40 years. Output of smoking tobacco was only slightly below 1962, but plug chewing and snuff are estimated to have declined to new long-time lows; output of scrap chewing was up some from last year. Tobacco leaf exports were moderately higher in 1963 than in 1962.

The 1963-64 supplies of flue-cured and burley--the big volume cigarette tobaccos--exceed those of most recent years by sizable margins. Total 1963-64 supplies of other kinds range from smaller to moderately above a year ago.

On November 26, the U. S. Department of Agriculture announced 10 percent reductions in flue-cured tobacco acreage allotments for most farms in 1964. The 1964 acreage allotments of burley and other kinds will be announced by February 1. Marketing quotas and acreage allotments will definitely be in effect for 1964 crops of flue-cured, burley, sun-cured, Maryland, Connecticut Valley binder, and Ohio filler-Wisconsin binder tobaccos. Growers of these types voted 3-year approval in referendums held within the past 2 years. In February 1964, growers of fire-cured and dark air-cured tobacco will vote in referendums on whether to continue marketing quotas on their 1964, 1965, and 1966 crops. At least two-thirds of the growers voting must approve to maintain quotas in effect.

Government price support is mandatory for tobaccos produced under marketing quotas. The 1963 crop price support levels are 1 percent above 1962 and available data indicate that 1964 levels will be up another 1 percent. The 1964 support levels will be established by adjusting the 1959 support levels to reflect the percentage increase between (1) the 1959 parity index, and (2) the average of this index in the calendar years 1961, 1962, and 1963. The parity index measures the average change over time in the prices of commodities and services commonly bought by farm families.

U. S smokers consumed an estimated 523 billion cigarettes in 1963--almost 3 percent above 1962 and a record high. U. S. smokers use approximately 95 percent of total output and exports account for most of the remainder. Consumption of cigars and cigarillos in 1963 is estimated at 7.2 billion--around 2½ percent above each of the preceding 3 years and the highest since 1923. Output of smoking tobacco for pipes and "roll-your-own" cigarettes in 1963 totaled about 70½ million pounds--slightly less than in 1962 and one of the lowest this century. Chewing tobacco output totaled about 65 million pounds, slightly more than in 1962; increased scrap chewing production more than offset reduced output of plug chewing tobacco. Snuff output, estimated at near 32½ million pounds, is about 2 percent below 1962 and lowest in half a century.

The number of people of smoking age will continue to increase in 1964; this, combined with probable further advances in consumer incomes, favors continuing high use of cigarettes and cigars in 1964. It is not now possible to judge how the impending smoking-health report of the Advisory Committee of the Surgeon General may affect tobacco consumption.

The foreign market usually takes around a fourth of the U. S. tobacco crop. In 1963, exports of unmanufactured tobacco are estimated at about 505 million pounds (declared weight), equivalent to 570 million pounds, farm-sales weight. This is about 8 percent above 1962 when they were at an 8-year low. The improved quality of flue-cured tobacco over the 1962 crop is a factor in the gain. Expanding tobacco production abroad is intensifying competition, making improved quality a vitally important factor in U. S. export prospects.

The 1963-64 supply of flue-cured tobacco is 4 percent above 1962-63 and highest since 1956-57, reflecting higher carryover. Acreage declined 5 percent from 1962 and production declined about 3½ percent. Yields per acre for the entire flue-cured growing area averaged a new record high, 1.4 percent above 1962. Carryover in mid-1964 is likely to be moderately above mid-1963 and second highest on record. The 1963 crop brought an average price of about 58 cents per pound--down 2 cents from 1962 and 6 cents below the record 1961 average. In the recent season, over 20 percent of the crop was placed under loan compared with 17 percent in 1962.

The 1963-64 supply of burley is 7 percent above 1962-63 and the largest on record. The 1963 crop, a record high, is 5 percent above 1962; carryover stocks were 8 percent above a year earlier and at a 5-year high. Farmers had sold over 60 percent of the crop by December 13 when markets closed

with a reopening scheduled for January 6. Prices for gross sales (including re-sales) averaged 59.7 cents per pound compared with 60.8 cents in the similar period last season and 67.0 cents 2 years ago. Placements under Government loan were heavy; about 26 percent of market deliveries went under loan in contrast with 6 percent a year earlier and only about 1 to 3 percent in the 6 previous seasons.

This year's crop of Maryland tobacco is sharply below last year due to dry growing weather. However, carryover is at an 8-year high and total 1963-64 supplies will be only a little below 1962-63, the largest in 5 years.

The 1963-64 supply of fire-cured tobacco is about 2 percent above 1962-63--mainly due to increased production and carryover in the Kentucky-Tennessee types. Production of the Virginia type declined due to dry weather but carryover increased slightly.

For dark air-cured tobacco, types 35-36, the 1963-64 supply is 4 percent above 1962-63--mainly due to increased carryover. Virginia sun-cured tobacco supply is down 15 percent due to dry weather which reduced this year's crop.

The 1963-64 supply of Pennsylvania and Ohio cigar filler tobacco about equals 1962-63's supply. Lower production than last year was offset by increased carryover. Also, carryover of Puerto Rican filler jumped sharply to the largest in 5 years.

Stocks of Cuban tobacco in the United States on October 1, 1963, were down more than a third from a year earlier and more than a half from 2 years earlier. They were still a little above normal stocks carried before the Castro takeover in Cuba. Stocks of Philippine tobacco were a little below a year earlier but stocks of other foreign-grown cigar tobaccos were up sharply. As use of Cuban tobacco declines, use of Colombian, Dominican, and Brazilian tobaccos and some others to a lesser extent has increased appreciably.

The 1963-64 supplies of Connecticut Valley binder types are at new lows--mainly due to declines in carryover. Domestic use of Connecticut Valley Broad-leaf turned significantly upward in 1962-63, reflecting its increased usage in cigar filler blends.

The 1963-64 supply of Southern Wisconsin tobacco is about the same as 1962-63 but the Northern Wisconsin tobacco supply is down some due to a smaller crop.

The 1963-64 supplies of Connecticut Valley and Georgia-Florida shade-grown wrapper are both the lowest in 4 years. Supplies of Connecticut Valley wrapper declined about 2 percent while those of Georgia-Florida dropped 10 percent from year earlier levels.

TOBACCO PRODUCTS

Cigarettes

In 1963 for the seventh consecutive year, cigarette consumption and output reached new highs. The number of people of smoking age will continue

Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other <u>1/</u>	Puerto Rico and U. S. islands <u>2/</u>	
	<u>Billions</u>	<u>Billions</u>	<u>Billions</u>	<u>Billions</u>	<u>Billions</u>
Average: 1947-49	380.5	345.2	11.7	1.5	22.5
1950	392.0	360.2	15.6	1.9	14.3
1951	418.8	379.7	20.1	2.0	16.8
1952	435.5	394.1	21.7	1.9	16.4
1953	423.1	386.8	18.8	2.0	16.2
1954	401.8	368.7	15.9	1.8	15.4
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963 <u>3/</u>	550.0	509.0	13.9	3.3	23.8

1/ Also includes ship stores and small tax-exempt categories.

2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands.

3/ Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

to increase in 1964; this, together with prospective further advances in consumer incomes, favor high cigarette consumption in 1964. It is not now possible to judge how the impending smoking-health report of the Advisory Committee of the Surgeon General may affect tobacco consumption.

In 1963, U. S. smokers (including those overseas) consumed 523 billion cigarettes compared with 508½ billion in 1962; this was an increase of almost 3 percent, significantly more than the 1 percent between 1961 and 1962. From 1955 to 1960 the rate of increase in cigarette consumption averaged 4 percent a year.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Average 1956-60	1961	1962 <u>1/</u>	January-October		
				1962	1963	1963 as a
				<u>1/</u>	<u>1/</u>	percentage of 1962
	<u>Mil.</u>	<u>Mil.</u>	<u>Mil.</u>	<u>Mil.</u>	<u>Mil.</u>	<u>Pct.</u>
Hong Kong	1,232	1,651	1,686	1,391	1,698	122
France	1,200	1,574	1,466	1,206	1,170	97
Singapore <u>2/</u>	942	1,354	1,358	1,104	1,314	119
Neth. Antilles	650	786	1,153	901	943	105
Gibraltar (Br.)	419	1,392	1,151	896	771	86
Belgium	798	1,127	1,120	918	928	101
Uruguay	204	1,034	1,117	833	590	71
Spain	267	467	1,094	750	790	105
Kuwait	548	848	1,085	906	1,025	113
Argentina	54	104	877	869	67	8
Italy	472	741	814	675	611	91
Morocco	1,415	534	772	625	561	90
Sweden	625	649	768	628	572	91
Panama, Rep. <u>3/</u>	438	696	647	573	536	94
Netherlands	485	611	613	501	390	78
W. Germany	486	627	563	470	433	92
Peru	264	412	519	380	660	174
Switzerland	331	592	416	316	446	141
Other countries <u>4/</u>	7,285	7,017	6,861	5,532	6,093	110
Total all countries	18,115	22,216	24,080	19,474	19,598	101

1/ Preliminary. 2/ Includes Federation of Malaya. 3/ Includes Canal Zone.
4/ Includes over 100 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

Total U. S. cigarette output in 1963 is estimated at 550 billion compared with 535½ billion in 1962. U. S. smokers take 95 percent of the total output and the foreign market and U. S. offshore areas take most of the remainder. Exports in 1963 are estimated at 23.8 billion--almost the same as in 1962 when they were the highest since the immediate postwar years. Cigarette exports decreased significantly to Argentina, Gibraltar, Uruguay and Netherlands; significant increases occurred to Hong Kong, Singapore, Peru, and Switzerland.

Many consumers are now paying more for cigarettes than they did the first third of 1963. In April and May retail prices of nonfilter tip brands advanced due to increases at the manufacturer level; in addition in 1963, 15 states and 2 large cities raised their tax rates on cigarettes to advance retail prices of both filter tip and nonfilter tip brands in those areas. According to Bureau of Labor Statistics indexes, retail prices of plain tip cigarettes (regular size) rose 6.4 percent, and prices of filter tips rose 3.0 percent between last March and September 1963. Forty-seven of the 50 States tax cigarettes from 2 to 8 cents per pack of 20; the average State tax rate during August-October was 5.6 cents per pack. The Federal excise tax rate on cigarettes is 8 cents per pack, unchanged since November 1951.

Cigars and Cigarillos

U. S. smokers (including those overseas) smoked an estimated 7.2 billion cigars and cigarillos in 1963--around 175 million or $2\frac{1}{2}$ percent above the preceding 3 years when only slight changes occurred. Assisted by higher consumer incomes, cigar consumption is expected to increase further in 1964.

Imported tobacco from sources such as Colombia, Dominican Republic, Brazil and others is steadily replacing Cuban tobacco in cigar filler blends. Stocks of Cuban tobacco imported before the embargo on shipments from Cuba are still sizable, though less than half as much as 2 years ago. Stocks of Cuban tobacco in the U. S. still exceed the normal levels held in this country in the pre-Castro period. (See table 10.)

During the first 10 months of 1963 compared with the previous 3 years the distribution of cigars according to selected retail price ranges was as follows:

Retail price range	1960	1961	1962	Jan.-Oct. 1963
(Cents per cigar)	Percent	Percent	Percent	Percent
6 and under	43.6	44.0	43.6	45.7
6.1 - 15	50.3	49.4	50.0	48.5
Over 15	6.1	6.6	6.4	5.8
All	100.0	100.0	100.0	100.0

Table 3.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States <u>1/</u>			From Puerto Rico: taxable	Imports for consumption		Exports	Total con- sumption <u>3/</u>
	Total output	Tax- able	Tax- exempt		Total <u>2/</u>	From Philippine Republic		
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
Average:								
1947-49:	5,668	5,618	42	5	12	2	12	5,665
1950	5,558	5,525	47	1	12	1	2	5,583
1951	5,774	5,695	85	1	14	1	3	5,792
1952	6,026	5,951	102	2	15	2	3	6,067
1953	6,122	6,025	90	10	17	3	6	6,136
1954	6,029	5,896	89	50	16	4	8	6,043
1955	6,004	5,915	82	84	20	5	6	6,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963 <u>5/</u>	6,700	6,565	140	535	22	16	4/32	7,230

1/ Includes bonded manufacturing warehouses that make cigars from tobacco imported from a single source country.

2/ Prior to the embargo on imports from Cuba (effective February 1962) cigars imported from Cuba accounted for 70 percent or more of total cigar imports except in 1961.

3/ Total removals from U. S. factories including bonded manufacturing warehouses, from Puerto Rico, imports, minus exports.

4/ Estimated--excludes little cigars.

5/ Estimated.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 4.--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	<u>Million</u>	<u>Million</u>	<u>Million</u>	<u>Million</u>
Average:				
1947-49	84.1	84.6	84.6	Neg.
1950	68.9	69.2	69.1	.1
1951	69.2	68.6	68.2	.4
1952	67.1	67.4	66.9	.5
1953	58.3	56.9	56.7	.2
1954	61.2	62.9	60.3	2.6
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963 ^{1/}	265.0	262.0	255.0	7.0

^{1/} Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

In 1963, the proportion in the lower price bracket (which also includes the bulk of the cigarillos) gained significantly while those in the medium and upper price brackets declined.

United States and Puerto Rican factories provide nearly all U. S. cigars consumed. The cigars shipped here from Puerto Rico continue to increase and accounted for over 7 percent of taxable removals in 1963 compared with 2 percent 5 years ago.

Cigar imports in 1963 are estimated at 25 million--about 2 million more than in 1962. The Philippine Republic is now the main source of imported cigars--accounting for about three-fourths of the total.

Exports of about 30 million cigars in 1963 were up sharply and topped any previous year on record. France largely accounted for the increase by

taking more than 9 million the first 10 months in sharp contrast to less than 1 million in 1962. Exports to Iceland, Switzerland, Australia, and South Africa were notably higher but those to Bermuda, the Bahamas, Egypt, and United Kingdom were down from a year earlier.

Smoking Tobacco

Production of smoking tobacco for pipes and "roll-your-own" cigarettes in 1963 probably totaled about 70½ million pounds--slightly below 1962 and about equal to 1957, which was smallest this century. Before a spurt in 1958 and a relatively stable level of 73-74 million pounds in 1959-61, manufacture of smoking tobacco had trended downwards for some years.

Most smoking tobacco produced in this country is consumed domestically. In the first 10 months of 1963, taxable removals were only slightly below a year earlier. In each of the first 2 quarters, taxable removals ran behind 1962 levels, but a gain in the third quarter, compared with the like 1962 period, virtually erased the difference. Based on January-September data, the dip in taxable removals was attributable to tobacco used for "roll-your-own" cigarettes. Pipe tobacco may have been up slightly. For all calendar 1963, taxable removals probably totaled near 1962's 68 million pounds. (See table 5.)

As of mid-September 1963, the average retail price paid in rural areas for smoking tobacco (reported by the Statistical Reporting Service) was \$1.82 a pound--slightly higher than a year earlier.

Imports for consumption of manufactured tobacco (nearly all smoking tobacco) increased sharply in recent years, rising from about 169,000 pounds in 1957 to nearly 1.6 million in 1962. During January-October 1963, these imports were 24 percent above a year earlier and virtually equal to the total for all of 1962. Of total receipts, Netherlands furnished about four-fifths, the United Kingdom, a tenth. Beginning September 1963, smoking tobacco imports were reported separately.

Taxable removals of imported smoking tobacco during January-October 1963 totaled 1.4 million pounds and for calendar 1963 will probably total about 1.7 million. Since these data are reported in a relatively new series by the Internal Revenue Service, no yearly comparisons can yet be made.

Exports of packaged smoking tobacco during January-October 1963, at 737,000 pounds, were practically equal to those a year earlier. Shipments to Canada, the leading outlet, increased 7 percent. More than year-earlier exports also went to West Germany and Belgium. However, reductions occurred in shipments to Denmark, Iceland, and Australia; takings by Sweden were unchanged.

Smoking Tobacco in Bulk for Export

Bureau of Census export statistics report a sizable volume of manufactured tobacco as smoking tobacco in bulk, little of which is covered in

Table 5.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals		Imports, taxable <u>1/</u>	Exports, in packages	Total consump- tion <u>2/</u>	Exports, smoking tobacco in bulk <u>3/</u>
		Taxable	Tax- exempt				
	Mil. <u>lb.</u>	Mil. <u>lb.</u>	Mil. <u>lb.</u>	Mil. <u>lb.</u>	Mil. <u>lb.</u>	Mil. <u>lb.</u>	Mil. <u>lb.</u>
Average:							
1947-49	106.8	4/104.6	4/2.3	.1	1.2	105.8	1.4
1950	107.7	104.3	3.4	.1	.6	107.2	1.4
1951	101.3	97.4	4.0	.1	.7	100.8	1.9
1952	96.8	92.9	3.6	.1	.6	96.0	2.3
1953	86.6	84.2	2.4	.1	.6	86.1	4.7
1954	83.7	81.2	2.5	.1	.6	83.2	4.6
1955	80.0	77.7	2.3	.1	.5	79.6	6.2
1956	71.5	69.9	1.7	.1	.6	71.1	5.7
1957	70.5	68.7	1.7	.2	.6	70.0	4.4
1958	76.0	74.0	2.0	.4	.7	75.7	7.5
1959	73.2	71.2	1.9	.7	.7	73.1	8.5
1960	73.8	71.3	2.3	.9	.9	73.6	7.7
1961	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962	70.9	68.3	2.6	1.4	.9	71.4	8.6
1963 <u>5/</u>	70.5	68.0	2.2	1.7	.9	71.0	10.0

1/ Prior to July 1962, data are from Census import classification "tobacco manufactures, n.e.s." 2/ Total removals plus taxable imports minus exports in packages. 3/ Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class in not included in Internal Revenue Service output figures for smoking tobacco. 4/ Partly estimated. 5/ Estimated.

Internal Revenue Service output statistics. This export category includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco, and shredded tobacco. These exports the past 5 years were appreciably above the level of mid-1950's. In January-October 1963, exports of smoking tobacco in bulk were 29 percent above a year earlier and for all 1963, exports may be about 10 million pounds. Switzerland took a third, more than doubling its year-earlier takings. The Dominican Republic, Mexico, Haiti, and Ecuador also took more than they did a year earlier. Spain and

Italy took sizable quantities, in contrast to little or none in calendar 1962. Exports to Bolivia were down moderately, and fell sharply to Panama and Australia. Finland took about as much as a year earlier.

Chewing Tobacco

U. S. chewing tobacco output probably totaled about 65 million pounds in 1963, slightly more than in 1962 but the fourth year at about this level. Prior to 1960, annual production declines were generally sizable. Indicated 1963 output is over a fifth below 10 years ago.

Indications are that the 1963 production of scrap chewing, comprising 52 percent of all chewing tobacco, increased about $1\frac{1}{2}$ million pounds over 1962. However, plug chewing, which made up 38 percent of the total,

Table 6.--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing						Snuff
	Plug	Twist	Fine-cut	Scrap	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
Average 1947-49	44.9	5.5	3.3	41.3	95.0	40.3	
1950	40.3	5.5	2.7	39.0	87.5	40.0	
1951	39.9	4.6	2.8	39.1	86.4	39.5	
1952	39.1	4.8	2.8	38.2	84.9	38.8	
1953	38.1	4.7	2.9	38.1	83.8	39.1	
1954	36.9	4.9	2.9	36.6	81.3	38.5	
1955	36.5	4.5	3.0	36.0	80.0	39.2	
1956	33.0	4.3	2.9	35.5	75.7	37.7	
1957	31.6	4.0	2.8	34.0	72.4	36.1	
1958	29.6	3.8	2.9	33.0	69.3	34.8	
1959	28.6	3.6	3.0	33.0	68.2	34.3	
1960	26.4	3.4	3.1	32.0	64.9	34.6	
1961	26.0	3.3	3.2	32.7	65.2	33.8	
1962	26.0	2.9	3.3	32.5	64.7	33.2	
1963 <u>1/</u>	24.8	2.9	3.4	34.0	65.1	32.5	

^{1/} Estimated.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

declined about 1 million pounds. Relatively little change occurred in twist and fine-cut, which made up the remaining 10 percent of chewing tobacco production.

All except a small fraction of chewing tobacco output is consumed domestically. In the first 10 months of 1963, taxable removals of chewing tobacco were slightly ahead of those a year earlier, mostly attributable to the gain in scrap chewing.

Exports of chewing tobacco--mainly twist and plug--have continued to trend downwards and in the first 10 months of 1963 were 21 percent below a year earlier. Consignments to Australia and French Pacific Islands increased 41 percent and 16 percent, respectively. But exports to Panama fell about a fourth. The Netherlands, which had taken a substantial quantity a year earlier, took much less.

Snuff

Snuff production in 1963 is estimated at near $32\frac{1}{2}$ million pounds--about 2 percent less than in 1962. Indicated 1963 output is lowest in nearly 50 years. Snuff is the principal domestic outlet for the fire-cured types. Virtually all U. S. snuff output is consumed in this country.

For many years following World War II, snuff consumption was relatively stable at 39-41 million pounds. Since 1956 it has moved downward almost every year. Output in 1964 may be a little below the estimated 1963 level.

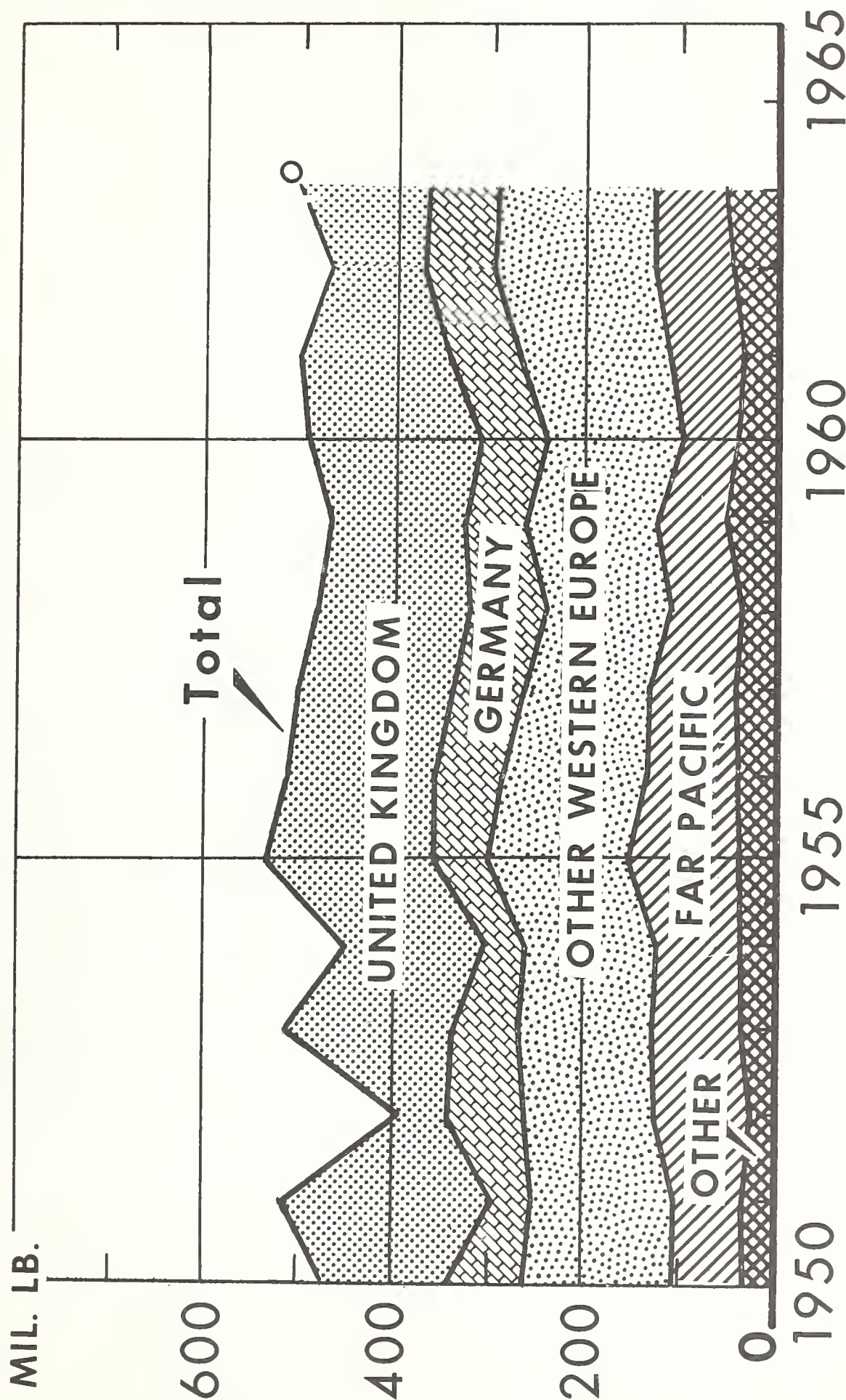
EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

Tobacco exports in calendar year 1963 may be about 505 million pounds--approximately 8 percent above 1962, which was second lowest in 8 years. In the 1952-61 period, tobacco exports averaged 486 million pounds, ranging from a low of 396 million in 1952 to a high of 540 million in 1955.

Flue-cured tobacco, the principal U. S. export tobacco, usually comprises about 80 percent of the total. Exports of this type are heaviest during August-December after substantial quantities of the current crop have been marketed, and usually reach a peak in September and October. In the first 10 months of 1963, flue-cured exports were 6 percent above those a year earlier. Improved quality of the 1963 flue-cured crop compared with that of 1962 is a factor in the gain. Takings by the United Kingdom during August-October 1963 jumped 31 percent over the relatively low takings a year earlier, while those of West Germany nearly doubled.

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

EXPORT MARKETS FOR U. S. TOBACCO



○ ESTIMATED

UNMANUFACTURED, DECLARED WEIGHT.

Table 7.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)							
Country and type	January-October						
	Average 1951-55	Average 1956-60	1961	1962 <u>1/</u>	1962 <u>1/</u>	1963 <u>1/</u>	1963 as percentage of 1962
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Flue-cured	405.6	403.7	402.8	375.4	291.0	308.1	106
Burley	27.7	28.8	36.6	40.1	31.6	36.1	114
Maryland	7.8	12.7	11.4	10.9	8.4	8.7	104
Va. fire-cured and sun-cured	4.5	4.8	4.6	4.6	3.8	4.2	111
Ky. and Tenn. fire-cured	22.6	20.5	25.0	17.3	12.5	11.4	91
Green River	2.0	1.2	.5	.6	.6	.6	100
One Sucker	1.7	1.7	.8	.5	.3	.4	133
Black Fat, etc.	4.4	4.7	4.3	3.7	3.1	3.3	106
Cigar wrapper	3.6	4.1	4.3	4.8	4.1	4.3	105
Cigar binder	2.4	2.8	3.0	.9	.6	.8	133
Cigar filler	.5	.6	.2	.1	.1	.3	300
Perique	.1	.1	.1	.2	.2	.2	100
Stems, trimmings, and scrap	3.3	5.3	7.4	9.8	7.0	12.1	173
Total	486.2	491.0	501.0	468.9	363.3	390.5	107
Country of destination							
United Kingdom	158.3	160.0	152.4	97.0	75.7	112.9	149
France	8.4	6.6	7.2	4.6	2.4	5.0	208
Belgium	19.1	18.4	17.3	17.3	13.9	13.4	96
Netherlands	33.5	30.5	30.0	28.1	19.4	23.4	121
Germany, West	57.8	55.7	77.5	80.6	65.8	73.9	112
Portugal	6.4	7.2	6.5	7.6	5.6	5.1	91
Denmark	10.5	13.1	14.1	13.8	9.5	9.6	101
Ireland	15.7	11.1	13.8	21.6	15.7	12.7	81
Switzerland	11.5	12.1	14.2	13.0	9.0	8.6	96
Norway	7.4	7.7	7.3	8.4	7.2	6.7	93
Sweden	11.8	13.7	18.9	15.1	11.3	5.5	49
Italy	3.8	7.0	11.7	18.2	18.2	11.9	65
Thailand	6.5	8.7	13.6	7.7	6.8	6.4	94
Australia	26.2	25.6	11.8	22.0	16.7	13.1	78
India	2.9	2.0	2.0	2.4	2.3	.9	39
Pakistan	1.9	1.7	1.9	2.1	2.1	2.2	105
New Zealand	6.5	6.4	6.0	4.7	4.2	2.6	62
Philippine Republic	20.2	2.5	6.9	<u>2/</u>	<u>2/</u>	<u>2/</u>	--
Indonesia	11.8	6.7	3.0	2.7	2.4	1.2	50
Egypt	5.2	10.2	1.6	12.5	12.4	13.4	108
Japan	8.6	10.1	24.5	24.1	5.5	3.0	55
Spain	3.7	4.6	3.6	.3	.3	1.2	400
Other countries	48.5	69.4	55.2	65.1	56.9	57.8	102
Total	486.2	491.0	501.0	468.9	363.3	390.5	107

1/ Preliminary.2/ Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

In the first 10 months of 1963, exports of burley were 14 percent larger than a year earlier and those of Maryland were up a little. Exports of Virginia fire-cured rose moderately but Kentucky-Tennessee fire-cured declined approximately a tenth. Green River exports showed little change, while those of One Sucker and Black Fat increased. Cigar wrapper exports increased a little, as a gain in the Connecticut Valley type more than offset a reduction in Georgia-Florida shade-grown. Cigar binder exports rose about a third; both Broadleaf and Havana Seed increased but exports of Wisconsin binder were lower than a year earlier. Cigar filler exports were substantially ahead of the small total for the comparable period of 1962.

In the year ending June 30, 1964, total exports of unmanufactured tobacco may reach about 510 million pounds, compared with 474 million in 1962-63. Flue-cured exports in the current marketing year are expected to be up moderately from the year before.

Termination dates for sales and delivery of tobacco under the export payment program have again been extended for an additional year. The period for making sales is extended through November 30, 1964, and the period for making shipments, through March 31, 1965. The program was originally announced in February 1962.

The export payment program is designed to aid tobacco growers by encouraging export of 1956 and earlier crops of leaf tobacco from Government loan stocks. Cash payments are made to tobacco exporters from Section 32 funds on export sales of such tobacco, at a rate of 20 percent of the announced sales price of cooperative associations by grades or the base purchase price under special offers of the loan associations. Through December 19, 1963, payments of about \$6 million were approved for about 56 million pounds of eligible tobacco. This included: Flue-cured, 49.5 million pounds; fire-cured, 4.0 million; dark air-cured, 1.5 million; burley, 0.4 million; and cigar leaf, 0.8 million. Included in the total were 27.6 million pounds of repriced or special offer tobacco, over nine-tenths of which was flue-cured.

Under regulations issued by the U. S. Department of Commerce in October, subsidized tobacco is now eligible for approval of export licenses to the Soviet Union and certain other East European countries. Previously, tobacco not receiving an export payment had been eligible for sale to these countries but the new regulation makes tobacco shipped with an export payment also eligible. The recently-issued export regulations establish certain requirements that must be met for applications to be considered. These are: price must be on the basis of the prevailing world price; payment must be in U. S. dollars or gold; terms of sale must be cash or normal commercial credit; exportation cannot be financed under P. L. 480 nor can the sale involve any barter arrangement.

Major Foreign Producers And Exporters of Tobacco

Major countries exporting flue-cured in competition with the United States are the Federation of Rhodesia and Nyasaland, Canada, and India. Turkey and Greece are the principal producers and exporters of oriental tobacco, like flue-cured, a light cigarette tobacco.

The 1963 flue-cured crop in Rhodesia-Nyasaland totaled 199 million pounds--down 15 percent from the previous year. Although acreage was larger, excessive rains reduced average yield. Unofficial reports indicate that Rhodesian acreage for the 1963-64 season may be increased by about a tenth. Acreage at this level could produce a crop of around 280 million pounds, barring unfavorable growing conditions. Sales of 1963 Rhodesian flue-cured on Salisbury auctions totaled 195 million pounds, averaging 48.6 U. S. cents a pound, exceeded only by 1952. In the previous season, total sales were 231 million pounds, averaging 40.8 cents. United Kingdom buyers purchased about 108 million pounds from 1963 offerings, compared with 94 million in 1962. British manufacturers had estimated their 1963 requirements at 100-105 million pounds. Australia purchased approximately $3\frac{1}{2}$ million pounds at the 1963 auctions, moderately less than in 1962.

During the first 9 months of 1963, the Federation exported about 172 million pounds of tobacco ($148\frac{1}{2}$ million flue-cured), 3 percent more than a year earlier. The United Kingdom took nearly three-fifths of all flue-cured exports, increasing takings 17 percent. Other Commonwealth areas combined accounted for nearly an eighth of the total. A total of about $39\frac{1}{2}$ million pounds of flue-cured went to Continental West Europe, compared with over 45 million pounds in January-September 1962. West Germany took 20.2 million pounds; the Netherlands, 7.4 million; France, 3.5 million; Belgium, 1.9 million; Austria, 1.7 million; Denmark, 1.2 million; and Sweden, 1.1 million. Compared with January-September 1962, larger exports went to the Netherlands, France, Austria, and Sweden, and less to West Germany, Belgium, and Denmark. Norway, Switzerland, and Portugal were also destinations for Rhodesian flue-cured. Japan took 0.7 million pounds, down sharply from the nearly $4\frac{1}{2}$ million a year earlier.

The 1963 Canadian flue-cured crop is now estimated at 188 million pounds--about the same as in 1962. Acreage dropped about an eighth, but favorable weather contributed to a record average yield that maintained production. In Ontario, where most of the flue-cured crop is produced, auctions for 1963 flue-cured started November 14. By December 13, about 39 million pounds had been sold at an average price of 51.3 Canadian cents per pound. In contrast to the previous 5 years, no minimum grade prices were announced this season. Instead, the grower price for 1963 flue-cured is supported under a deficiency payment program. If, at the end of the season, the average price received by all growers for all eligible grades (those other than special factor and nondescript grades) is below 47 Canadian cents (43.6 U. S. cents) per pound, the Federal Government will make a deficiency payment equal to this difference.

Canadian exports of flue-cured tobacco January-August 1963, at 33 million pounds, were nearly a fourth below those a year earlier. Close to 85 percent of the total was consigned to the United Kingdom, which reduced takings about a sixth. West Germany also took substantially less. Belgium and Denmark took more Canadian flue-cured than in January-August 1962, and the Netherlands sharply less. A substantial quantity of Canadian burley was exported to West Germany, in contrast to a token quantity in the 1962 period.

India's 1963 flue-cured crop is placed at 148 million pounds--about a tenth below 1962. Its flue-cured exports in January-August 1963, at about 88 million pounds, were a little below a year earlier. Approximately two-fifths was consigned to the United Kingdom, which reduced takings 7 percent. Slightly more than a year earlier went to the Soviet Union, second ranking outlet. Other countries taking more included Yugoslavia, Malaya, France, and Belgium; those reducing year-earlier takings included Netherlands, Poland, and East Germany. Over 2 million pounds of Indian flue-cured were exported to Japan, in contrast to a minor quantity in calendar 1962.

In Turkey, the 1963 production of oriental tobacco is currently estimated at about 276 million pounds--44 percent larger than the below-normal crop of 1962. The current crop is estimated to be the third largest on record despite drought and some blue-mold damage. Exports in January-August 1963, at about 79 million pounds, were 47 percent below a year earlier, when exports were at a record rate. Shipments to the United States comprised 60 percent of the total, but fell more than a third below a year earlier. Substantially less was also exported to West Germany, Czechoslovakia, Switzerland, France, Austria, and Belgium, while none went to Italy and Yugoslavia, both of which took large quantities in January-August 1962. About the same as a year earlier was exported to Poland but more to East Germany and the Soviet Union.

Under the association agreement between Turkey and the European Economic Community (EEC or Common Market), signed September 12 (see September 1963 Tobacco Situation, page 33), quotas have been established for exports of Turkish tobacco to member countries. The total annual quota of 27.5 million pounds (to receive the same duty charged on Greek tobacco) is divided as follows: West Germany, 14.5 million pounds; the Netherlands, 1.3 million; Belgium-Luxembourg, 2.8 million; France, 5.6 million; and Italy, 3.3 million. The agreement contains provisions which enable the EEC to increase quotas after 2 years.

The revised estimate of 1963 production of oriental tobacco in Greece is 257 million pounds--a fourth above 1962 and largest on record. Exports in January-September 1963 totaled $63\frac{1}{2}$ million pounds--32 percent above the comparable period of 1962. Consignments to the United States, accounting for 46 percent of the total, were over 4 times the relatively-low year-earlier figure. More than in the like 1962 period also went to West Germany, Czechoslovakia, East Germany, and Finland, but less to the Soviet Union, Italy, Poland, and Yugoslavia.

British Use and Stocks of Tobacco

In the United Kingdom--leading foreign market for U. S. tobacco--gross clearances from bond are an approximate measure of tobacco use both for home consumption and export of manufactured products, mainly cigarettes. Gross clearances, up each year from 1953 to 1960, dipped slightly in 1961 and declined 3 percent in 1962 to the lowest in 5 years. The 1962 decrease was attributable to a drop in gross clearances during March-July, following issuance in early March of a report on smoking and health; the August-December total was ahead of the same months of 1961. During January-September 1963,

Table 8.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports <u>1/</u>			Stocks *Dec. 31	Gross clearances from bond <u>3/</u>			Exports of manu- factured tobacco	Re-exports of unmanu- factured tobacco
	From	From	Total		Non-	Prefer-	Total		
	U. S.	Com-			prefer-	ential			
	<u>2/</u>	mon			ential	<u>2/</u>			
		wealth							
		coun-							
		tries							
		<u>2/</u>							
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.
	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.
1946	366	62	433	383	261	61	322	55	7
1947	201	82	296	384	235	57	292	52	1
1948	172	97	281	390	204	67	271	45	1
1949	154	119	302	419	190	81	271	47	2
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	149	344	507	173	125	298	44	4
1956	160	146	318	523	173	127	300	45	3
1957	168	141	319	529	169	135	304	41	3
1958	164	145	316	529	172	138	310	41	2
1959	140	157	301	509	171	144	315	34	2
1960	178	180	365	538	167	152	319	31	5
1961	157	182	345	563	161	156	317	31	3
1962 <u>4/</u>	106	168	280	540	153	155	308	28	3
Jan.-Oct.									
1959	99	141	242	<u>5/</u> 481	<u>6/</u> 128	<u>6/</u> 106	<u>6/</u> 234	28	2
1960	129	159	292	<u>5/</u> 472	<u>6/</u> 125	<u>6/</u> 114	<u>6/</u> 239	25	4
1961	118	166	286	<u>5/</u> 513	<u>6/</u> 122	<u>6/</u> 117	<u>6/</u> 239	27	3
1962	74	153	233	<u>5/</u> 523	<u>6/</u> 115	<u>6/</u> 114	<u>6/</u> 229	24	3
1963	109	156	270	<u>5/</u> 501	<u>6/</u> 116	<u>6/</u> 118	<u>6/</u> 234	24	3

1/ Unmanufactured tobacco.

2/ Since 1946 the full duty rate on tobacco from the United States and other non-preferential areas has been about 2.2 to 2.9 percent above the preferential rate on tobacco from Commonwealth areas. In the prewar period, at a much lower level, the full duty rate was over 25 percent above the preferential rate.

3/ Largely withdrawals for manufactures for home use and export.

4/ Subject to revision.

5/ September 30.

6/ January-September.

*Beginning with 1957, stocks not strictly comparable with prior years.

Compiled from the Annual Statement of Trade and Accounts Relating to Trade and Navigation of the United Kingdom.

gross clearances were about 2 percent larger than a year earlier but still 2 percent below those 2 years earlier. Clearances for home consumption (net clearances) were up 2 percent from January-September 1962, but lagged behind January-September 1961 by the same percentage. The gain thus far in 1963 compared with the year before was centered in the April-June quarter; net clearances in January-March and July-September were about the same as in the comparable 1962 periods.

Gross clearances of flue-cured, which make up over nine-tenths of total clearances in the United Kingdom, were 2 percent larger in the first 9 months of 1963 than a year earlier but 3 percent less than 2 years earlier. Flue-cured from each of the major suppliers showed gains over January-September 1962, but except for Canada, remained below the comparable 1961 figure. Gross clearances of U. S. flue-cured at 108 million pounds were up 1 percent from January-September 1962. Clearances from the 3 Commonwealth suppliers--Rhodesia, India, and Canada--totaled $110\frac{1}{2}$ million pounds--3 percent above a year earlier.

At the end of September 1963, United Kingdom tobacco stocks totaled 501 million pounds--4 percent below a year earlier and a little below 2 years earlier. British manufacturers' stocks of U. S. flue-cured, 220 million pounds, were 7 percent less than on September 30, 1962, and lowest for that date in 8 years. Stocks of Rhodesian and Canadian flue-cured, at $130\frac{1}{2}$ million and $48\frac{1}{2}$ million pounds, respectively, were both up a little from a year earlier, but Indian flue-cured, at 63 million pounds, declined about a tenth. Holdings of dark fire-cured and air-and sun-cured from Nyasaland showed relatively little change, while air-and sun-cured from India fell more than an eighth.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN-GROWN TOBACCO 2/

In the first 10 months of 1963, U. S. imports of foreign-grown tobacco were a little above those of January-October 1962, due to increased receipts of scrap tobacco (small pieces of leaves) for cigars.

Imports of cigarette leaf for consumption (direct entries plus withdrawals from bond) during January-October 1963 were virtually even with those a year earlier. Turkish leaf increased 2 percent but Greek leaf declined about an eighth. Imports from Yugoslavia jumped more than a fourth, and Italian leaf also gained. In the first 10 months of 1963, total arrivals of cigarette leaf from abroad (direct entries plus that placed in bond) were nearly a fifth less than a year earlier. Arrivals from Turkey were down sharply, but those from Greece nearly doubled. (See table 11.) Stocks of foreign-grown cigarette and smoking tobacco in this country on October 1 totaled 265 million pounds--2 percent less than a year earlier but otherwise largest October 1 stocks on record.

2/ Imports of tobacco are on a declared-weight basis and stocks are on an unstemmed-equivalent basis.

Cigarette leaf usually makes up about three-fourths of all U. S. imports for consumption, and nearly all the rest is cigar tobacco. In January-October 1963, imports of cigar filler were down 39 percent from a year earlier. Cuban filler (from stocks already in the United States) was only about a third of the year-earlier figure. Filler from Colombia, Dominican Republic and Paraguay also declined but more came from the Philippine Republic and Brazil. During January-October 1963, total imports of scrap were 22 percent above a year earlier. Imports of Cuban scrap from bond dropped more than a half, but scrap from the Philippines, Dominican Republic, and Colombia rose 37, 96, and 58 percent, respectively. Scrap imports for consumption from Brazil were sharply higher than a year earlier. Imports from Indonesia and Argentina also gained while some came from Peru. Imports of Cuban cigar wrapper from bond were down about two-fifths from a year earlier. (See table 9 for above data.)

On October 1, 1963, stocks of Cuban tobacco were 19 million pounds (unstemmed equivalent)--36 percent less than a year earlier and 52 percent less than 2 years earlier. Arrivals of tobacco from Cuba were embargoed in February 1962. (See table 10.)

Total arrivals (general imports) of cigar tobacco the first 10 months of 1963 were 5 percent below a year earlier. (See table 11.) Arrivals of Philippine tobacco in January-October 1963 were down a little due to a decline in scrap; a big jump occurred in arrivals of stemmed filler. Stocks of Philippine tobacco on October 1, at about $13\frac{1}{4}$ million pounds, were 4 percent less than a year earlier and 6 percent less than the peak October 1 holdings of 1961. In January-October 1963, compared with a year earlier, increased quantities of cigar tobacco arrived from Colombia, Dominican Republic, Brazil, and Indonesia. Of other supply sources, more than year-earlier amounts arrived from Mexico but less from Argentina, Peru, and Jamaica. October 1 stocks of other foreign-grown cigar leaf (other than Cuban and Philippine), by source, were as follows (unstemmed weight): Colombia, 9.8 million pounds; Dominican Republic, 7.8 million; Brazil, 4.6 million; Paraguay, 2.6 million; Indonesia, 2.4 million; and other 2.3 million. Combined U. S. stocks of cigar leaf from these countries totaled $29\frac{1}{2}$ million pounds, compared with 22.9 million a year earlier. Stocks of tobacco from each enumerated country showed increases compared with October 1, 1962.

Table 9.--United States imports for consumption of unmanufactured tobacco,
from principal supplying countries, for specified periods

Classification and country of origin	(Declared weight)						
	Average 1951-55	Average 1956-60	1961	1962 1/	January-October		
					1962 1/	1963 1/	1963 as a percentage of 1962
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf:							
Unstemmed:							
Turkey	55.7	66.1	78.7	82.4	69.8	71.1	102
Greece	14.9	26.9	34.4	32.1	27.7	24.2	87
Syria	3.3	1.2	.8	.6	.6	.3	50
Italy	1.3	1.8	1.7	1.4	1.0	1.5	150
Cyprus	.2	.9	.9	.6	.5	.5	100
Yugoslavia	1.3	4.1	6.4	7.3	6.1	7.8	128
Total 2/	79.6	102.9	125.7	127.2	108.0	108.3	100
Cigar leaf (filler):							
Cuba:							
Stemmed	9.7	8.6	5.1	2.9	2.7	.8	30
Unstemmed	4.4	3.5	4.7	3.0	2.6	1.0	38
Philippines, Republic:							
Stemmed	.1	.3	0	.1	.1	.9	900
Unstemmed	.2	.1	.2	.1	.1	3/	--
Colombia	0	3/	.3	.8	.7	.2	29
Brazil	0	3/	.3	.5	.3	.5	167
Paraguay	0	3/	.3	.3	.3	3/	--
Dominican Republic	3/	.1	.2	.8	.7	.3	43
Mexico	3/	0	0	.2	3/	.5	--
Total 2/	14.9	12.8	11.3	8.9	7.6	4.6	61
Scrap:							
Cuba	8.4	11.3	12.5	6.4	5.8	2.5	43
Philippines, Republic	1.5	5.8	10.4	10.1	7.9	10.8	137
Peru	0	.4	.5	0	0	.2	--
Colombia	0	3/	1.2	3.2	2.6	4.1	158
Dominican Republic	0	.1	1.2	3.0	2.3	4.5	196
Netherlands	0	3/	.3	3/	3/	.1	--
Indonesia	0	.1	.3	.6	.5	.7	140
Brazil	0	3/	.1	.3	.2	1.6	800
Argentina	0	3/	.1	.3	.2	.3	150
Total 2/	9.9	21.3	28.4	26.3	22.3	27.1	122
Cigar wrapper (unstemmed):							
Indonesia	.6	.1	3/	3/	3/	3/	--
Cuba	.4	.5	.6	.5	.5	.2	40
Total 2/	1.0	.6	.6	.5	.5	.3	60
Total imports 4/	106.1	138.9	166.4	163.3	138.9	140.5	101

1/ Preliminary. 2/ Includes relatively small quantities from other countries not separately listed. 3/ Less than 50,000 pounds. 4/ Includes stems not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

Table 10.--Stocks of Cuban tobacco in the United States, owned by manufacturers and dealers on specified dates

Year and date	Manufacturers		Dealers		Total unstemmed basis
	Unstemmed	Stemmed	Unstemmed	Stemmed	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1956-58 average					
January 1	6.3	7.8	0.2	0.3	16.3
April 1	6.8	7.6	.2	.3	17.8
July 1	7.9	7.2	.2	.3	17.1
October 1	7.7	7.6	.2	.3	17.6
1959					
April 1	12.5	7.9	1.4	.5	24.0
October 1	16.4	9.3	1.2	.5	29.4
1960					
April 1	16.3	11.8	4.6	.6	35.8
October 1	23.8	10.8	6.3	.4	43.6
1961					
January 1	22.2	10.3	6.7	.8	42.2
April 1	22.4	10.5	5.5	1.7	42.5
July 1	21.7	10.5	4.5	2.0	41.2
October 1	20.4	10.5	4.0	2.4	39.9
1962					
January 1	18.7	11.4	4.3	2.7	39.9
April 1	18.5	10.6	3.9	2.6	38.3
July 1	16.3	9.6	3.0	2.7	34.1
October 1	15.0	7.8	2.7	2.5	30.2
1963					
January 1	13.3	7.2	2.5	2.4	27.3
April 1	11.2	6.3	2.4	2.2	23.9
July 1	9.7	5.1	2.5	2.0	20.8
October 1	8.8	4.6	2.7	1.7	19.2

Table 11.--United States general imports of tobacco from principal supplying countries for specified periods

(Declared weight)						
Classification and country	Average 1958-60	1961	1962	January-October		
				1962	1963	1963 as a percentage of 1962
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf (unstemmed):						
Turkey	72.0	111.7	116.8	97.5	65.1	67
Greece	31.7	46.2	17.0	15.8	31.1	197
Other countries	12.7	17.0	21.3	15.5	8.7	56
Total ^{2/}	116.4	175.0	155.1	128.9	105.0	81
Scrap:						
Turkey	.3	1.9	.7	.7	.7	100
Greece	1/	.3	0	0	0	---
Total ^{2/}	.3	2.1	.7	.7	.7	100
Total cigarette leaf	116.7	177.1	155.8	129.6	105.7	82
Cigar wrapper (unstemmed):						
Cuba	.6	.6	1/	1/	---	---
Indonesia	.1	1/	1/	1/	1/	---
Total	.7	.6	1/	1/	1/	---
Cigar filler (stemmed):						
Cuba	8.8	5.9	1.3	1.3	---	---
Philippine Republic	.3	0	.1	.1	2.3	---
Brazil	0	1/	.1	.1	1.5	---
Total	9.1	5.9	1.5	1.5	4.2	280
Cigar filler (unstemmed):						
Cuba	22.2	12.3	3.5	3.5	---	---
Philippine Republic	2.4	.2	.1	.1	.1	100
Dominican Republic	1.3	5.8	5.4	2.8	4.2	150
Colombia	.5	5.6	7.8	7.2	8.1	112
Brazil	.1	1.7	1.5	.7	2.2	314
Paraguay	.1	1.3	1.4	.9	.8	89
Indonesia	.1	1.3	1.8	1.3	1.5	115
Netherlands	.4	.1	0	0	1/	---
Peru	2.0	0	.4	.4	0	---
Argentina	0	1/	.5	.3	1/	---
Mexico	0	1/	.5	.3	.6	200
Jamaica	0	1/	.4	.4	1/	---
Other countries	1/	.2	0	0	.1	---
Total	29.1	28.5	23.3	17.9	17.6	98
Scrap:						
Cuba	8.8	4.9	1.6	1.6	---	---
Philippine Republic	7.2	10.5	11.9	10.0	7.6	76
Dominican Republic	1/	1/	.2	.1	.5	500
Colombia	0	.1	.1	0	1/	---
Brazil	0	1/	.4	.4	.1	25
Paraguay	1/	.3	.2	1/	.1	---
Indonesia	1/	.1	0	0	1/	---
Netherlands	1/	.3	1/	1/	.2	---
Spain	.4	0	0	0	0	---
Argentina	0	.1	.6	.2	.3	150
Honduras	0	0	.1	.1	1/	---
Other countries	.4	.4	.8	.9	.3	33
Total	16.8	16.7	15.9	13.3	9.1	68
Total cigar tobacco	55.7	51.7	40.7	32.7	30.9	94
Grand total	172.4	228.8	196.5	162.3	136.6	84

1/ Less than 50,000 pounds. 2/Details may not add to total, due to rounding.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption" which represent merchandise entering into domestic consumption channels.

MEETING OF NATIONAL TOBACCO INDUSTRY ADVISORY COMMITTEE
ON NOVEMBER 13-14, 1963

The National Tobacco Industry Advisory Committee--a Committee representing all types of tobacco and all segments of the industry--advises the Secretary of Agriculture on tobacco problems. This Committee met in Raleigh, North Carolina on November 13-14, 1963, for the third meeting since its formation last year.

The Committee reviewed 1963 experience on the flue-cured tobacco markets, particularly in the light of changes made in tobacco grade standards and loan rates. The progress of growers the past year in selecting suitable varieties of tobacco, in adopting recommended cultural practices, and in allowing their tobacco to reach full maturity, was recognized. The Committee endorsed the principle of future grower-industry group meetings to discuss ways and means of continuing the progress of the past year.

The Committee favored the supply management principle. It did not make a specific recommendation to the Secretary of Agriculture but emphasized the necessity of bringing supply into line with demand without seriously impairing the economic stability of the tobacco industry.

The Committee favored maximum use of available Government programs to expand the export market for U. S. tobacco. The Committee recognized and underscored the importance of the forthcoming "Kennedy round" trade negotiations to improve U. S. prospects for selling more tobacco on the export market.

SITUATION AND OUTLOOK FOR TOBACCO LEAF

Flue-cured, Types 11-14

Prices and Price Support

The overall price support level for the 1964 crop is expected to be about 1 percent higher than the 56.6 cents per pound level in effect for 1963. The 1964 support level will be calculated by adjusting the 1959 support level to reflect the percentage increase in the parity index between 1959 and 1961-63 (the average of the 3 most recent calendar years). The parity index measures the average change over time in prices in commodities and services commonly bought by farm families. On November 26, the USDA announced that the variety program on flue-cured tobacco will continue in effect on the 1964 crop. Under this program, designated less desirable varieties are supported at only one-half the support rate for other varieties.

Marketing of 1963 flue-cured was completed by December 18. The season average price for gross sales (which includes resales) was 57.7 cents per pound--down 2 cents from 1962 and 6 cents lower than the record average of 1961.

Table 12.--Flue-cured tobacco: Average price per pound and percentage comparisons by Belt, average 1947-51, annual 1952-63

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	Border Belt type 13	Ga.-Fla. Belt type 14 1/	All Belts
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
Average 1947-51	47.3	50.0	50.5	49.7	43.9	48.8
1952	48.4	49.4	50.5	51.9	49.2	50.1
1953	42.0	47.0	57.1	56.7	51.1	52.5
1954	52.0	52.3	54.7	51.3	46.5	52.1
1955	53.8	52.4	52.3	53.7	46.5	52.2
1956	49.9	51.9	51.5	53.2	48.0	51.1
1957	52.3	53.1	54.3	59.1	55.9	55.0
1958	57.2	57.1	57.1	59.6	57.1	57.7
1959	53.2	56.4	57.9	62.1	57.8	57.7
1960	58.5	60.9	60.7	61.4	56.4	59.9
1961	62.9	64.5	64.9	65.4	58.9	63.7
1962	60.3	60.4	59.4	61.0	56.5	59.8
1963 2/	55.4	57.0	58.2	59.9	56.9	57.7
Price for each type as percentage of price for all types combined						
	Percent	Percent	Percent	Percent	Percent	Percent
Average 1947-51	96.9	102.5	103.5	101.8	90.0	100.0
1952	96.6	98.6	100.8	103.6	98.2	100.0
1953	80.0	89.5	108.8	108.0	97.3	100.0
1954	99.8	100.4	105.0	98.3	89.3	100.0
1955	103.1	100.4	100.2	102.9	89.1	100.0
1956	97.7	101.6	100.8	104.1	93.9	100.0
1957	95.1	96.4	98.7	107.5	101.6	100.0
1958	99.1	99.0	99.0	103.1	99.1	100.0
1959	92.1	97.7	100.3	107.6	100.1	100.0
1960	97.7	101.7	101.3	102.5	94.2	100.0
1961	98.9	101.3	101.9	102.7	92.5	100.0
1962	100.8	101.0	99.3	102.0	94.5	100.0
1963	96.0	98.8	100.9	103.8	98.6	100.0

1/ In the Georgia-Florida Belt, tobacco is marketed untied while in all other Belts, it is tied except for experimental periods in 1962 and 1963.

2/ Preliminary.

Table 13.--Flue-cured tobacco: Volume of gross sales (including resales) and percentage distribution by Belt, average 1947-51, annual 1952-63

Marketing season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	Border Belt type 13	Ga.-Fla. Belt type 14	All Belts
	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>	<u>Million pounds</u>
Average 1947-51	281	166	451	300	159	1,356
1952	328	177	488	333	180	1,506
1953	254	138	480	348	192	1,412
1954	288	161	522	309	188	1,468
1955	311	170	528	371	213	1,593
1956	333	179	508	333	183	1,536
1957	235	124	353	254	120	1,087
1958	250	137	402	263	134	1,186
1959	250	136	359	279	161	1,185
1960	262	170	444	311	183	1,370
1961	272	162	414	324	191	1,363
1962	311	185	426	381	205	1,508
1963 ^{1/}	296	178	445	343	197	1,459
Percentage of total						
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Average 1947-51	20.7	12.2	33.3	22.1	11.7	100.0
1952	21.8	11.8	32.4	22.1	11.9	100.0
1953	18.0	9.8	34.0	24.6	13.6	100.0
1954	19.6	11.0	35.6	21.0	12.8	100.0
1955	19.5	10.7	33.1	23.3	13.4	100.0
1956	21.7	11.6	33.1	21.7	11.9	100.0
1957	21.6	11.4	32.5	23.4	11.1	100.0
1958	21.1	11.5	33.9	22.2	11.3	100.0
1959	21.1	11.5	30.3	23.5	13.6	100.0
1960	19.1	12.4	32.4	22.7	13.4	100.0
1961	19.9	11.9	30.4	23.8	14.0	100.0
1962	20.6	12.3	28.2	25.3	13.6	100.0
1963	20.3	12.2	30.5	23.5	13.5	100.0

^{1/} Preliminary.

Table 14.--Flue-cured tobacco: Receipts under government loan and percentage distribution by belt, average 1947-51, annual 1952-63

Marketing Season	Old Belt type 11 (a)	Middle Belt type 11 (b)	Eastern N. C. Belt type 12	Border Belt type 13	Ga.-Fla. Belt type 14	All Belts
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average 1947-51	49.8	16.0	26.2	25.9	14.5	132.3
1952	61.1	19.0	55.4	23.0	6.5	165.0
1953	96.8	22.6	15.6	10.8	5.6	151.4
1954	40.7	15.8	38.8	26.6	8.3	130.2
1955	30.7	23.0	124.9	89.1	31.2	298.9
1956	64.8	50.6	128.1	62.8	13.6	319.9
1957	58.2	18.2	21.4	8.9	1.1	107.8
1958	41.2	15.7	50.0	35.5	2.4	144.8
1959	27.5	7.2	7.5	11.3	1.8	55.3
1960	16.2	5.3	19.1	8.9	2.3	51.8
1961	17.4	6.2	31.4	8.3	7.2	70.5
1962	93.8	35.1	65.9	37.5	4.9	237.2
1963 ^{1/}	128.9	38.6	63.1	41.7	5.6	277.9
Percentage distribution						
	Percent	Percent	Percent	Percent	Percent	Percent
Average 1947-51	37.6	12.1	19.8	19.6	10.9	100.0
1952	37.0	11.5	33.6	14.0	3.9	100.0
1953	64.0	14.9	10.3	7.1	3.7	100.0
1954	31.3	12.1	29.8	20.4	6.4	100.0
1955	10.3	7.7	41.8	29.8	10.4	100.0
1956	20.3	15.8	40.0	19.6	4.3	100.0
1957	54.0	16.9	19.9	8.2	1.0	100.0
1958	28.5	10.8	34.5	24.5	1.7	100.0
1959	49.7	13.0	13.6	20.4	3.3	100.0
1960	31.3	10.2	36.9	17.2	4.4	100.0
1961	24.7	8.8	44.5	11.8	10.2	100.0
1962	39.5	14.8	27.8	15.8	2.1	100.0
1963	46.4	13.9	22.7	15.0	2.0	100.0

^{1/} Preliminary.

In 1963 for the second year and still on an experimental basis, sales of untied flue-cured--lugs, primings, and nondescript grades thereof--were made in types 11-13 markets. In 1962, such sales were conducted for the first 5 days of the marketing season and price support was available only for the untied tobacco. In 1963, such sales were conducted during the first 7 days of the marketing season and price support applied to both untied and tied tobacco. For the quantities marketed untied in relation to gross sales during the respective periods, and the percentage placed under Government loan see table 15.

Table 15.--Sales of untied flue-cured tobacco types 11-13 and specified percentages, 1962 and 1963

Type	1962 season (first 5 days)			1963 season (first 7 days)		
	Untied quantity	Percent-		Untied quantity	Percent-	
		Of gross	Placed		Of gross	Placed
		sales <u>1/</u>	under loan		sales <u>1/</u>	under loan
	Mil. lb.	Pct.	Pct.	Mil. lb.	Pct.	Pct.
11(a)	2.4	10	10	1.7	6	9
11(b)	3.6	25	2	2.7	13	5
12	20.3	65	1	14.7	38	6
13	<u>22.4</u>	<u>95</u>	<u>1</u>	<u>37.0</u>	<u>96</u>	<u>14</u>
Total	48.7	52	2	56.1	44	11

1/ Gross sales (including resales) during same time periods.

In the Georgia-Florida markets (type 14), all marketings of flue-cured tobacco have been on an untied basis for many years.

As the 1963 marketing season progressed and especially in the last few weeks, substantially more market deliveries were placed under Government loan. Loan placements from the 1963 crop totaled about 27⁸ million pounds--one-fifth of the crop. Last year 237 million pounds--17 percent of the crop--were received under loan. Only twice--1955 and 1956--has the volume received under loan exceeded the 1963 volume.

Flue-cured Allotments Cut 10 Percent

On November 26 the U. S. Department of Agriculture announced that flue-cured tobacco acreage allotments for most farms in 1964 will be 10 percent smaller than for 1963. The announcement pointed out that reduced allotments were necessary to bring supplies in better balance with demand. It recognized

as noteworthy the efforts of tobacco farmers to improve quality. It further urged all growers in 1964 to select varieties and to follow cultural practices recommended by Land Grant colleges and local county agents to produce mature, full-bodied and grainy tobaccos. Tobaccos with these characteristics are most desired by domestic and foreign users and are essential if U. S. growers are to share in the increasing world trade in tobacco.

The 10 percent reduction in allotments makes 639,861 acres available for allotment in 1964, compared with 710,191 acres in 1963.

Supplies

The 1963-64 total supply of flue-cured is 3,641 million pounds--4 percent above 1962-63 and higher than any previous year except 1956-57. Mid-1963 carry-over rose substantially above a year earlier--reflecting the big 1962 crop which was the fourth largest on record. The 1963 crop, though down some from 1962, was still about 100 million pounds more than that produced on approximately the same number of acres in 1961 and 1960. Yields per acre in 1963 for the entire flue-cured growing area averaged a new high, 1.4 percent above 1962. Average yields in Georgia-Florida (type 14) and Eastern North Carolina (type 12) set new highs and in South Carolina-border North Carolina (type 13) were second only to 1962. Estimated average yields for type 11 in North Carolina and Virginia are second only to 1962, despite the prolonged dry growing season.

Carryover of flue-cured in mid-1964 is likely to increase moderately above that of mid-1963 and to be the second highest on record. If yields per acre should equal the 1961-63 average, considering reduced acreage allotments, the 1964 crop would approximate 1,190 million pounds--170 million below 1963. If this occurs, the 1964-65 flue-cured tobacco supply will dip modestly from the 1963-64 level.

Domestic Use and Exports

Domestic use of flue-cured in 1962-63, contrary to expectations, declined a bit from a year earlier. However, a modest increase appears probable in domestic use during 1963-64--about in line with cigarette output, by far the main outlet for this type.

Flue-cured exports during 1963-64 are expected to moderately exceed the lower-than-usual quantity in 1962-63. During the first third of the current marketing year (July-October), flue-cured exports were 15 percent above the comparable period a year earlier. Shipments to Britain, the leading outlet, were up about 37 percent and to West Germany, the second ranking outlet, they were up 61 percent. Other destinations that increased their takings in July-October over those of a year earlier were Netherlands, Belgium, Switzerland, Australia, Hong Kong, Denmark, and Finland. Poland got a sizable quantity for the first time, negotiated under the P.L. 480 program as a foreign currency sale. Among the countries taking less were Ireland, Sweden, Norway, Portugal, New Zealand, Thailand, India, and Mexico. Italy took far less in July-October 1963

Table 16.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, July 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	1,174	1,458	2,632	1,108	715	393
1950	1,257	1,485	2,742	1,185	757	428
1951	1,453	1,557	3,010	1,279	777	502
1952	1,365	1,731	3,096	1,244	828	416
1953	1,272	1,852	3,124	1,209	778	431
1954	1,314	1,915	3,229	1,173	744	429
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	776	432
1963 2/	1,360	2,281	3,641			
	Average	Price	Placed under Government loan		Remaining in	
	price	support	Quantity	Percentage	Government loan	
	per pound	level 3/		of crop	stocks on	
	Ct.	Ct.	Mil. lb.	Pct.	Nov. 30, 1963 4/	
1950	54.7	45.0	77.6	6.2	0	
1951	52.4	50.7	142.2	9.8	0	
1952	50.3	50.6	5/165.0	12.1	0	
1953	52.8	47.9	151.4	11.9	0	
1954	52.7	47.9	130.2	9.9	0	
1955	52.7	48.3	298.9	20.2	0	
1956	51.5	48.9	319.9	22.5	0	
1957	55.4	50.8	107.8	11.1	29.6	
1958	58.2	54.6	144.8	13.4	65.8	
1959	58.3	55.5	55.3	5.1	18.9	
1960	60.4	55.5	51.8	4.1	31.4	
1961	64.3	55.5	70.5	5.6	55.6	
1962	60.1	56.1	237.2	16.8	229.7	
1963	58.0	56.6	277.9	20.4	*277.9	
Total	---	---	2,230.5	---	*708.9	

1/ Year beginning July 1.

2/ Subject to revision.

3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ As reported by Flue-cured Tobacco Cooperative Stabilization Corporation; actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

5/ An additional 78.4 million pounds under option to British manufacturers were pledged for CCC loans, but were purchased and shipped by mid-1953.

*Includes quantities received from marketings through Dec. 18, when season ended.

than a year earlier when heavy shipments were required to replace a short Italian crop reduced by blue mold infestation. Taiwan, Austria, and Federation of Malaya took approximately as much in July-October 1963 as in the same period a year earlier. None had yet been reported as shipped to Japan but significant shipments are expected in coming months.

Burley, Type 31

Prices

Auction sales of 1963-crop burley began November 26. By December 13, gross sales totaled about 461 million pounds and averaged 59.7 cents per pound, compared with 60.8 cents a year earlier. Auction markets closed for the holidays after sales on December 13 instead of December 20 as scheduled, to alleviate crowded conditions in plants redrying tobacco going under Government loan. Markets were scheduled to reopen on January 6. Over 60 percent of the crop was sold by December 13. In 1962, about three-fourths was sold before a later Christmas shut-down. Quality of market offerings improved over 1962. Prices of better grades of flyings generally showed no change or were up 1 cent a pound from a year ago, but prices of virtually all leaf, tip, and nondescript grades declined, mostly from 1 to 9 cents a pound.

The overall Government price support level for 1963 burley is 58.3 cents per pound--1 percent above 1962 and about 2 percent above the level in effect for the 1959-61 crops. Through December 13, about 115 million pounds, or 26 percent of market deliveries, had been placed under Government loan, unusually heavy placements compared with recent years. In the entire 1962-63 season, approximately 64 million pounds went under loan--about 9 $\frac{1}{2}$ percent of the crop--and in the 6 seasons before that, loan deliveries amounted to only from 1 to about 3 percent of the respective crop.

The 1964 burley crop also will receive Government price support, since by law price supports for tobacco are mandatory when marketing quotas are in effect. The overall support level for 1964 burley will be determined in the same manner as for flue-cured. (See page 26.) The support level for 1964 burley is expected to be about 1 percent higher than the 58.3 cents in effect for the current crop.

Supplies

The 1963-64 burley supply is 1,938 million pounds--7 percent above 1962-63 and highest on record. This year's crop, estimated at 710 million pounds, tops 1962's previous record by 5 percent. Carryover stocks, at 1,228 million pounds, were up 8 percent to the largest since 1958. Harvested acreage in 1963 was virtually the same as 1962 but average yield was a record 2,097 pounds per acre--the first time it exceeded a ton for the Belt as a whole.

Included in the October 1, 1963, carryover of burley were 94 million pounds (farm-sales weight) held under Government loan, compared with 33 million

Table 17.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	550	939	1,489	530	493	37
1950	499	1,000	1,499	518	488	30
1951	618	981	1,599	538	506	32
1952	650	1,061	1,711	548	519	29
1953	564	1,163	1,727	529	494	35
1954	668	1,198	1,866	519	486	33
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963 2/	710	1,228	1,938			
	Average price per pound	Price support level 3/	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on Nov. 30, 1963 4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	49.0	45.7	44.2	8.9	0	
1951	51.2	49.8	97.3	15.7	0	
1952	50.3	49.5	103.9	16.0	0	
1953	52.5	46.6	102.1	18.1	0	
1954	49.8	46.4	221.4	33.2	0	
1955	58.6	46.2	73.1	15.6	0	
1956	63.6	48.1	6.0	1.2	0	
1957	60.3	51.7	16.6	3.4	6.0	
1958	66.1	55.4	11.2	2.4	1.2	
1959	60.6	57.2	13.2	2.6	7.2	
1960	64.3	57.2	8.4	1.7	7.5	
1961	66.5	57.2	10.3	1.8	10.1	
1962	58.6	57.8	63.5	9.4	61.5	
1963	*59.7	58.3	5/	5/	5/	
Total	---	---	771.2	---	93.5	

1/ Year beginning October 1

2/ Subject to revision.

3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.

4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

5/ Through Dec. 13, about 115 million pounds, 26 percent of deliveries, went under loan.

* Auction average through December 13.

pounds a year earlier and 88 million 2 years earlier. Peak October 1 Government holdings of burley were 431 million pounds in 1955.

The 1963-64 supply is about 3.3 times prospective disappearance, compared with a 3.1 ratio in 1962-63 and about 3.0 in both 1960 and 1961. October 1, 1964, carryover likely will increase moderately over last October 1 and be the second highest on record.

The Secretary of Agriculture, by February 1, will announce the 1964 burley marketing quota and acreage allotment. Growers in a February 1962 referendum approved marketing quotas for the 1962-64 crops.

Domestic Use

Domestic use of burley in 1962-63, at 531 million pounds, was 1 percent above 1961-62 and a new high. This was the fifth successive gain and contrasts with the 1953-57 situation when domestic use declined steadily because of such developments as a rapid increase in filter-tip cigarettes and more complete utilization of tobacco leaf. The manufacture of cigarettes, the chief outlet for burley, increased $2\frac{1}{2}$ percent in 1962-63 over the previous marketing year. A significant volume of burley is also used in smoking tobacco and plug chewing. In the year ended September 30, output of smoking tobacco was up slightly but plug chewing was down 4 percent.

Marketing year exports of burley tobacco also increased for the fifth successive year. In October 1962-September 1963, they reached 53 million pounds (farm-sales weight), the highest on record. This was 8 million pounds above 1961-62 and 19 million pounds above the 1956-60 average. Over four-fifths of the 1962-63 total went to 10 destinations: West Germany, Italy, Sweden, Portugal, Mexico, Netherlands, Egypt, Hong Kong, Austria, and Denmark. West Germany, alone accounting for nearly a fourth of the total, increased takings 13 percent to the third largest on record. Italy's takings jumped 66 percent to the most since 1946-47, reflecting reduced domestic production and its desire to maintain its tobacco exports. Exports to Portugal and Austria were about double--and to Hong Kong were more than double--those of the previous year, while shipments to the Netherlands nearly quadrupled. Egypt took a record quantity--nearly two-fifths more than in 1961-62; much of it was under the Title I, P. L. 480 program. On the other hand, exports to Sweden declined 5 percent and moderately less than a year earlier also went to Mexico and Denmark. Exports to Finland dropped sharply; takings by Belgium and Norway also were smaller than in 1961-62. More burley than in the preceding year was exported to France and Switzerland.

Maryland, Type 32 3/Prices

Auction markets for 1963-crop Maryland tobacco are scheduled to open April 21, 1964, and close July 16. The Baltimore hogshead market, where approximately a sixth of the crop has been sold in the last few years, also will be active.

Price support level for the 1963 crop is 51.8 cents a pound-- $\frac{1}{2}$ cent or 1 percent more than for the previous year's crop. For the 1964 crop of Maryland tobacco, the overall support level will be determined in the same manner as for flue-cured. (See page 26.) The support level for 1964 Maryland tobacco is expected to be about 1 percent higher than the 51.8 cents in effect for the current crop.

Prices for the 1962 crop averaged 55.4 cents per pound--about a tenth below the previous season's average and the lowest in 5 years. Auction sales increased a little and quality of offerings was poorer than in the previous year. About 15 percent of the crop went under Government loan, compared with about 10 percent in the previous season and 4 to 5 percent in the 2 seasons before that.

Supplies

The 1963 crop of Maryland is estimated at 27.6 million pounds--32 percent less than the 1962 outturn and smallest since 1945. Harvested acreage declined a sixth, and because of dry weather throughout much of the growing season, average yield per acre dropped to the lowest since 1959.

Estimated carryover on January 1, 1964 is 77 million pounds--10 million more than a year earlier and the most in 8 years. This year's crop, together with the estimated carryover, will provide a total supply of about $104\frac{1}{2}$ million pounds-- 2 percent less than in 1962-63 but otherwise largest since 1957-58.

The 1964 marketing quota and acreage allotment for Maryland tobacco will be announced by the Secretary of Agriculture by February 1, 1964. Marketing quotas for the 1963-65 crops were approved by Maryland growers in a February 1963 referendum.

Domestic Use and Exports

During the year ended September 30, 1963, domestic use of Maryland tobacco was about $19\frac{1}{2}$ million pounds--more than 1 million below 1961-62 and

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year (the 12-month period, October 1 through September 30). Disappearance is calculated on the October-September basis.

Table 18 --Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks following Jan. 1 1/	Supply	Disappearance 2/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	38.0	45.8	83.8	35.6	27.6	8.0
1950	40.0	53.4	93.4	35.5	27.1	8.4
1951	41.6	59.3	100.9	33.3	26.7	6.6
1952	40.2	64.9	105.1	40.3	32.5	7.8
1953	40.5	65.4	105.9	36.4	28.4	8.0
1954	43.8	68.6	112.4	36.1	27.9	8.2
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.5	67.3	107.8	30.6	19.4	11.2
1963 3/	27.6	77.0	104.6			
	Average price per pound	Price support level 4/	Placed under Government loan		Remaining in Government loan stocks on Nov. 30, 1963 5/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	48.2	48.6	5.5	13.8	0	
1951	44.8	No price support 6/				
1952	48.8	No price support 6/				
1953	54.5	50.4	6.7	16.5	0	
1954	40.3	No price support 6/				
1955	50.8	No price support 6/				
1956	51.7	47.0	3.3	9.0	0	
1957	44.9	48.0	5.9	15.3	1.8	
1958	62.5	50.8	1.1	3.6	.5	
1959	61.6	No price support 6/				
1960	63.8	50.8	1.6	4.6	.7	
1961	62.0	50.8	3.7	9.5	2.3	
1962	55.4	51.3	6.0	14.8	5.4	
1963		51.8	Auctions scheduled to start April 21, 1964			
Total	---	---	33.8	---	10.7	

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved.

lowest in nearly 3 decades. In the 1957-61 marketing years, domestic use ranged from about $20\frac{1}{2}$ million to 25 million pounds, averaging $22\frac{3}{4}$ million for the period. Although primarily a cigarette tobacco, domestic use of Maryland has not kept pace with expanding cigarette output. Some Maryland is also used as filler in cigars. The quantity used depends upon supplies and prices of certain grades.

Exports of Maryland tobacco, around 12 million pounds (farm-sales weight) in each of the 3 marketing years 1959-61, declined to 11.2 million in October 1962-September 1963. Switzerland, accounting for over three-fifths of the total, reduced takings 7 percent, but Portugal, second ranking market, increased takings a little. Exports to Netherlands declined about a tenth, and to Belgium and West Germany, dropped by two-fifths and nearly a half, respectively. Less tobacco than a year earlier also went to Tunisia. On the other hand, France took more Maryland than in 1961-62, and some also went to Viet Nam and Morocco under the Title I program of P. L. 480.

Fire-Cured, Types 21-23

Prices

Auction markets for Virginia fire-cured (type 21) opened December 3. For sales through December 19 (when markets closed for the holidays until January 6), prices averaged 35.1 cents per pound, compared with 40.3 cents a year earlier. Auctions for Kentucky-Tennessee fire-cured type 22 and type 23, usually open around the middle of January.

The overall support level for the 1963 fire-cured crop is 39.6 cents a pound--1 percent higher than for the 1962 crop. In the Virginia fire-cured markets thus far, about 8 percent of market deliveries have been placed under Government loan, compared with 10 percent in the comparable period last season. If growers approve continued marketing quotas (see discussion on supplies), the 1964 fire-cured crop will also receive Government price support. The overall support level will be determined in the same manner as for flue-cured. (See page 26.) The 1964 support level is expected to be about 1 percent higher than the 39.6 cents in effect for the current crop.

Supplies

The 1963-64 supply of fire-cured tobacco, at 166 million pounds, is nearly 2 percent above the previous year. The increase is attributable to the Kentucky-Tennessee types 22-23. Although carryover of Virginia fire-cured, type 21, gained slightly, the 1963 crop is estimated to have dropped 30 percent to the smallest on record and the total supply for 1963-64 is 9 percent less than for 1962-63. Harvested acreage declined about an eighth and a drought cut the average yield to the lowest in 10 years.

Both carryover and production of types 22-23 rose from 1962 levels, and total supply for 1963-64 is 4 percent larger than for 1962-63. Harvested acreage for both Kentucky-Tennessee types was down a little from 1962, but the average yield per acre of each were at record levels.

The 1963-64 total supply of fire-cured is about 3.2 times probable disappearance, little different from the preceding year. In the 1957-61 marketing years, the ratio varied from 2.9 to 3.4, averaging 3.1 for the 5-year period. In the 1962-63 marketing year, loan holdings of type 21 declined a little, but those of the Kentucky-Tennessee types 22-23 increased appreciably. Current loan holdings (see tables 19-20) are fairly substantial in relation to annual disappearance.

The 1964 marketing quotas and acreage allotments for Virginia fire-cured (type 21) and for Kentucky-Tennessee fire-cured (types 22-23) will be announced by the Secretary of Agriculture by February 1. Soon after the announcement, growers of the 3 fire-cured types will vote in a referendum on whether they favor marketing quotas for their 1964, 1965, and 1966 crops. At least two-thirds of the growers voting must approve if marketing quotas are to continue in effect. In the last referendum (February 1961), 98 percent of the farmers voting favored marketing quotas on their next 3 crops.

Domestic Use and Exports

In the marketing year ended September 30, 1963, total disappearance of the fire-cured types was 50 million pounds, about $7\frac{1}{2}$ million less than in 1961-62. A steep drop in exports more than offset a gain in domestic disappearance from the unusually-low figure computed for 1961-62. Domestic use, at about $26\frac{1}{2}$ million pounds, increased 4 percent over the average of the 1960-61 and 1961-62 marketing years. A jump in the domestic disappearance calculated for types 22-23 brought the 1962-63 figure more in line with most of the last few years; the 1962-63 domestic disappearance of the Virginia type 21 was moderately below the average of the 2 preceding years.

In the October 1962-September 1963 marketing year, exports of fire-cured dropped to about $23\frac{1}{2}$ million pounds (farm-sales weight) from the relatively high level of 35 million pounds in 1961-62. In the 1961-62 marketing year, several of the European Common Market countries, notably the Netherlands, increased their takings from the United States, apparently because of a scheduled tariff change-over. Exports of Kentucky-Tennessee fire-cured in 1962-63, at $18\frac{1}{2}$ million pounds (farm-sales weight), fell nearly two-fifths and were slightly below the level of 1959-60, the previous low for any peacetime year on record. The Netherlands, accounting for about a fourth, slashed takings nearly 70 percent below the near-record figure of the previous year. France, second ranking market, took moderately more than in 1961-62, but exports to Switzerland, ranking third, and Belgium, ranking fourth, declined 28 and 13 percent, respectively. Moderately less than a year earlier also went to the Congo Republic and Sweden. Among other destinations, more Kentucky-Tennessee fire-cured than in 1961-62 was exported to Italy, Ireland, and Viet Nam, but less to West Germany and Denmark.

The 1962-63 exports of Virginia fire-cured, slightly over 5 million pounds (farm-sales weight), totaled 4 percent less than a year earlier and 18 percent less than the relatively large shipments 2 years earlier. Norway and the United Kingdom, ranking first and second, respectively, together accounted for nearly two-thirds of the total. Norway cut takings more than a fourth, but exports to the United Kingdom nearly doubled the previous year's relatively low total. More Virginia fire-cured than in 1961-62 was shipped to Australia and New Guinea, but less to Sweden, West Germany, and Switzerland.

Table 19.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	12.9	22.5	35.4	12.8	5.3	7.5
1950	12.8	23.1	35.9	11.3	5.9	5.4
1951	13.4	24.6	38.0	11.0	6.3	4.7
1952	12.2	27.0	39.2	10.5	5.5	5.0
1953	9.2	28.7	37.9	11.7	6.9	4.8
1954	10.6	26.2	36.8	10.2	6.0	4.2
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	#5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963 2/	6.7	20.2	26.9			
	Average price per pound	Price support level 3/	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on Aug. 31, 1963 4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	36.3	34.3	2.4	18.8	0	
1951	39.2	37.4	2.6	19.4	0	
1952	35.5	37.1	2.4	19.7	0	
1953	35.6	35.0	.7	7.6	0	
1954	34.4	34.8	2.1	19.8	0	
1955	31.3	34.6	1.8	17.1	0	
1956	39.5	36.1	1.7	15.9	.6	
1957	38.7	38.8	1.0	11.6	.7	
1958	36.9	38.8	2.2	23.4	1.3	
1959	37.6	38.8	.8	8.1	.5	
1960	39.4	38.8	.3	3.3	.2	
1961	38.8	38.8	.9	9.8	.6	
1962	38.8	39.2	1.2	12.6	.7	
1963		39.6	5/	5/		
Total	---	---	20.1	---	4.6	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

5/ Through mid-December about 8 percent of marketings were placed under loan.

See June 1963 Tobacco Situation, pp. 38-39, for discussion of this figure.

Table 20.-Fire-cured tobacco, types 22-23 ^{1/}: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance ^{2/}		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average: 1947-49	64.4	132.1	196.5	57.3	30.7	26.6
1950	45.4	141.8	187.2	64.6	30.7	33.9
1951	46.1	122.6	168.7	48.8	25.8	23.0
1952	46.0	119.9	165.9	48.3	24.2	24.1
1953	39.7	117.6	157.3	49.5	26.0	23.5
1954	51.6	107.8	159.4	48.9	23.9	25.0
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	#17.2	29.5
1962	44.6	89.4	134.0	40.8	22.3	18.5
1963 ^{3/}	46.0	93.2	139.2			
	Average price per pound	Price support level ^{4/}	Placed under Government loan		Remaining in	
			Quantity	Percentage of crop	Government loan stocks	Nov. 30, 1963 ^{5/}
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	29.7	34.3	9.8	21.6	0	
1951	40.3	37.4	4.9	10.6	0	
1952	38.1	37.1	8.5	18.4	0	
1953	33.3	35.0	7.5	18.9	0	
1954	38.5	34.8	4.8	9.3	0	
1955	38.4	34.6	7.9	14.4	0	
1956	36.1	36.1	18.6	31.1	6.2	
1957	36.4	38.8	13.9	33.1	5.0	
1958	38.1	38.8	4.4	12.0	2.0	
1959	38.3	38.8	5.3	12.3	3.8	
1960	43.3	38.8	3.2	8.7	2.7	
1961	40.2	38.8	5.1	11.8	4.8	
1962	38.7	39.2	8.6	19.3	8.5	
1963		39.6				
Total	---	---	102.5	---	33.0	

^{1/} Type 24 included until early 1950's when it became practically nonexistent.

^{2/} Year beginning October 1.

^{3/} Subject to revision.

^{4/} Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

^{5/} Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures. # See June 1963 Tobacco Situation pp. 38-39 for discussion of this figure.

Table 21 --Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	33.0	71.2	104.2	30.4	21.3	9.1
1950	25.0	76.8	101.8	32.9	22.6	10.3
1951	27.7	68.9	96.6	26.4	16.5	7.9
1952	30.1	70.2	100.3	25.2	19.2	6.0
1953	23.6	75.2	98.8	26.7	20.1	6.6
1954	30.4	72.1	102.5	25.9	16.3	9.6
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	15.3	4.2
1963 2/	22.8	58.2	81.0			
	Average price per pound	Price support level 3/	Placed under Government loan Quantity	Percentage of crop	Remaining in Government loan stocks on Nov. 30, 1963 4/	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.	
1950	23.2	30.5	4.1	16.3	0	
1951	34.3	33.2	7.3	26.4	0	
1952	31.6	33.0	5/9.9	32.9	0	
1953	25.2	31.1	7.5	31.8	0	
1954	34.3	30.9	7.2	23.7	0	
1955	31.8	30.8	6.3	22.7	0	
1956	34.0	32.1	6.6	21.5	4.0	
1957	36.1	34.5	3.0	15.2	2.4	
1958	38.4	34.5	.5	2.7	.3	
1959	34.5	34.5	3.7	19.2	3.6	
1960	37.4	34.5	2.2	12.2	2.1	
1961	37.8	34.5	1.9	9.2	1.9	
1962	36.2	34.8	4.1	18.2	4.1	
1963		35.2	6/	6/	6/	
Total	---	---	64.3	---	18.4	

1/ Year beginning October 1.

2/ Subject to revision.

3/ Through 1957-- 66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.

4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.

5/ An additional 200,000 pounds under option to British manufacturers were pledged for CCC loans but purchased and shipped by mid-1953.

6/ Through mid-December, about 30 percent of marketings were placed under loan.

Table 22.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)						
Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1947-49	3.0	3.6	6.6	3.0		
1950	3.6	4.0	7.6	3.5	3.0	0.5
1951	4.0	4.1	8.1	3.8	3.1	.7
1952	3.7	4.3	8.0	4.0	3.4	.6
1953	2.9	4.0	6.9	3.2	2.7	.5
1954	3.7	3.7	7.4	3.2	2.7	.5
1955	3.3	4.2	7.5	2.9	2.1	.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963 2/	1.2	5.1	6.3			
	Average	Price	Placed under Government loan:		Remaining in	
	price	support	Quantity	Percentage	Government loan	
	per pound	level 3/		of crop	stocks on	
					Nov. 30, 1963	
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.	
1950	33.9	30.5	34	0.9	0	
1951	34.6	33.2	59	1.5	0	
1952	31.6	33.0	84	2.3	0	
1953	31.8	31.1	24	.8	0	
1954	32.2	30.9	123	3.3	0	
1955	25.3	30.8	72	2.2	0	
1956	35.7	32.1	103	3.2	0	
1957	34.0	34.5	11	.4	0	
1958	36.8	34.5	29	1.5	0	
1959	34.4	34.5	24	1.1	0	
1960	37.9	34.5	4	.2	0	
1961	39.8	34.5	7	.3	0	
1962	37.4	34.8	59	2.6	0	
1963		35.2	4/	4/		
Total	---	---	633	---	0	

1/ Year beginning October 1. 2/ Subject to revision. 3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years. 4/ Through mid-December, about 16 percent of marketings were placed under loan.

Dark Air-Cured and Sun-Cured, Types 35-37

Prices

Auction markets for One Sucker and Green River (Kentucky-Tennessee dark air-cured, types 35-36) opened December 9 and December 5, respectively. For sales through December 19, type 35 prices averaged 34.4 cents per pound, compared with 37.3 cents a year earlier; type 36 prices averaged 34.9 cents per pound, compared with 37.1 cents a year earlier. Auctions at Richmond opened for Virginia sun-cured (type 37) on December 10, nearly a week later than in 1962. For all sun-cured sales through December 19, prices averaged 31.6 cents per pound, compared with 38.4 cents in the corresponding period of 1962.

The Government overall price support level for 1963 dark air-cured and sun-cured tobacco is 35.2 cents a pound--1 percent higher than for the 1962 crop. Government price support will continue for the 1964 crop of Virginia sun-cured, type 37, and also for 1964 dark air-cured types 35-36 if marketing quotas are approved in the forthcoming referendum. (See discussion on supplies). The support level for 1964 dark air-cured and Virginia sun-cured will be determined in the same manner as for flue-cured. (See page 26.) The sun-cured support is expected to be about 1 percent above the 35.2 cents a pound in effect for the current crop and a similar increase would apply to dark air-cured, types 35-36.

Through mid-December, about 31 percent of auction market offerings of One Sucker and about 27 percent of Green River were placed under loan. In the corresponding period of 1962, about 27 percent of One Sucker and 15 percent of Green River were delivered for loan. Early loan receipts of Virginia sun-cured were larger than usual.

Supplies

The 1963-64 supply of dark air-cured and sun-cured tobacco, at about 87 million pounds, is 2 million above 1962-63 and largest in 4 years. Carryover of types 35-36 increased 5 percent and 1963 production is a little above the previous year's because of an increase in average yield per acre. Total supply of dark air-cured is up 4 percent. Carryover of Virginia sun-cured on October 1, 1963, was about the same as a year earlier, but total supply is down 15 percent due to the drought-reduced 1963 crop, second lowest on record.

The 1963-64 supply of dark air-cured and sun-cured is about 3.7 times prospective disappearance, compared with 3.9 in 1962-63 and a 1957-61 average of 3.6. During the 1962-63 marketing year, Government loan stocks of dark air-cured increased about an eighth, in contrast to almost steady declines in recent years. Current stocks (see table 21) are still substantial compared to annual disappearance.

Domestic Use and Exports

Total disappearance of dark air-cured and sun-cured in the year ended September 30 was a little over $21\frac{3}{4}$ million pounds, about an eighth less than in the previous year and the lowest on record. Exports were down but most of the drop occurred in domestic disappearance, which declined more than 2 million pounds to about $17\frac{1}{2}$ million--smallest on record. The chief use for dark air-cured tobacco in this country is in the manufacture of plug, twist, and fine-cut chewing tobaccos. In October 1962-September 1963, combined output of these products was 3 percent below a year earlier. Use in nonchewing products may also have declined in the 1962-63 marketing year. Domestic use of types 35-36 fell 15 percent, with a sharp drop in One Sucker more than offsetting a moderate gain in Green River. However, domestic use of Virginia sun-cured continued the advance of the last 2 years, increasing about a tenth over 1961-62.

Exports of dark air-cured and sun-cured in 1962-63 (including an allowance for Black Fat) totaled about $4\frac{1}{2}$ million pounds (farm-sales weight)--a tenth below 1961-62 and smallest for a peacetime year. (Black Fat is a semi-processed product containing as its main constituents One Sucker and Green River.) Exports of One Sucker leaf dropped 40 percent to 472,000 pounds. Belgium, accounting for about four-fifths of the total, cut takings 37 percent. Some One Sucker also went to Trinidad and Congo Republic. The 1962-63 exports of Green River leaf, at 634,000 pounds (farm-sales weight), were 27 percent less than in 1961-62 and second lowest since 1943. Most of the recent year's total went to the Congo Republic and the United Kingdom, which increased takings 11 and 57 percent, respectively. But none was reported shipped to Belgium--leading outlet in 1961-62. Exports of Black Fat in 1962-63 amounted to 3.9 million pounds, slightly more than in the preceding year but nearly a fifth less than the 1956-60 average. Exports to Nigeria--leading market--dropped 24 percent, but those to Ghana (second ranking market) rose 21 percent compared with a year earlier. Western Africa more than doubled her year-earlier takings. Spanish Africa took much more but less went to Cameroun and Bahamas.

Cigar Types 41-62

Prices and Price Supports

Price information on 1963 crop marketings is not yet available. Private trade sources indicate sizable purchases of Connecticut Valley Broadleaf have been made at prices close to those of a year ago. Wisconsin tobacco marketings usually begin in January. Government price support levels for the 1963 crops of eligible types are shown in table 23. Overall support levels for the 1964 kinds of tobacco eligible for price support are expected to be about 1 percent higher than in 1963. This would reflect the percentage increase between the 1959 parity index and the average of the parity index for 1961-63 and be in accord with the present legally prescribed method for determining tobacco price support levels.

Table 23.--Cigar tobacco types: Government price support levels, 1961-63, and season average prices, 1961-62

Type	1961		1962		1963
	Price	Season	Price	Season	Price
	support	average	support	average	support
	level	price	level	price	level
	1/		1/		1/
	Cents	Cents	Cents	Cents	Cents
	per	per	per	per	per
	pound	pound	pound	pound	pound
Ohio cigar filler, types 42-44	23.4	28.3	23.6	28.4	23.9
Puerto Rican filler, type 46	29.7	37.2	30.0	38.0	30.3
Connecticut Valley Broadleaf binder, type 51	39.6	43.3	40.2	53.5	41.0
Connecticut Valley Havana Seed binder, type 52	39.6	40.6	39.6	42.5	39.6
Southern Wisconsin binder, type 54	26.5	28.7	26.8	29.3	27.0
Northern Wisconsin binder, type 55	32.0	29.6	32.3	29.1	32.6

1/ For Pennsylvania Havana Seed, type 53: 1961, 26.5 cents. 1962, 26.8 cents. 1963, 27.0.

1963-64 Supplies

Filler: The 1963-64 supply of Pennsylvania cigar filler (composed of commercial stocks, the 1963 crop, and 1962 tobacco still being held at the farm level as of late September) is near 183 million pounds, virtually the same as a year ago when it was the largest since 1951-52. Production is about a sixth below the unusual high of 1962, but carryover rose sharply to offset this decrease. The 1963-64 supply of Ohio cigar filler is almost 28 million pounds, slightly above last year and at a 7-year high. The 1963 Ohio crop is below last year's harvest but the increase in carryover more than offsets reduced harvestings.

Carryover of Puerto Rican tobacco increased sharply from a year earlier when it was the smallest for many years. If the 1963 crop about equals the quota set by the Puerto Rican Government, this added to the carryover will provide a total 1963-64 supply of 83 million pounds--8 percent above 1962-63 and the largest in 8 years.

Table 24.--Cigar tobacco price support operations, quantities placed under loan, 1950-62, and remaining under loan Nov. 30, 1963

Crop year	Quantities placed under loan						
	Puerto Rican type 46	Ohio types 42-44	Conn. Valley, type 51	Conn. Valley, type 52	So. Wis., type 54	No. Wis., type 55	Total
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1950	0.3	2.6	0.1	3.7	1.4	0.6	1/11.5
1951	1.1	.6	1.7	2.7	4.8	.1	1/11.0
1952	1.4	No Price Supports 2/					1.4
1953	1.4	2.7	3/	1.8	2.4	1.9	1/10.3
1954	5.1	1.2	.8	3.4	1.3	.9	12.7
1955	2.8	.8	7.8	5.2	.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	3/	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	1/ 7.1
Total	21.4	8.5	19.0	25.0	16.3	20.0	1/113.1
Remaining under loan as of Nov. 30, 1963 5/							
1955	0	0	.8	0	0	.3	1.1
1956	0	0	.2	0	0	3/	.2
1957	0	0	.3	.2	0	0	.5
1958	0	0	.1	3/	0	0	.1
1959	0	0	4/ .0	.1	0	0	.1
1960	0	0	2.4	2.4	1.9	1.6	6.4
1961	0	0	.8	1.8	1.3	1.4	5.3
1962	0	.1	.2	1.4	.2	4.1	6.0
Total	0	.1	2.9	5.9	3.4	7.4	19.7

1/ Includes 2.8 million pounds of 1950 crop Pennsylvania Seedleaf (type 41) and negligible amounts from the 1950, 1951, 1953 and 1962 crops of New York and Pennsylvania Havana seed (type 53). 2/ Price support not in effect because marketing quotas were disapproved by growers. 3/ Less than 50,000 pounds. 4/ Substantially all of these stocks have been sold under deferred contracts. 5/ For types 54 and 55, October 31, 1963.

Foreign Cigar Tobacco: During January-October 1963, approximately 34 million pounds (unstemmed weight equivalent) of foreign cigar tobacco arrived in the United States--6 percent below the comparable period of 1962. Arrivals from the Philippine Republic were about the same as a year earlier; more was in the form of stemmed filler and less as scrap. Arrivals of unstemmed filler from Colombia and Dominican Republic during January-October 1963 increased 12 and 50 percent, respectively, compared with January-October 1962, while unstemmed filler from Brazil tripled. Also, significantly more scrap tobacco arrived from the Dominican Republic but considerably less from Brazil (see table 11). Less unstemmed filler came from Paraguay, only negligible quantities from Argentina and Jamaica, and none from Peru in contrast with significant quantities a year earlier. However, arrivals of scrap tobacco from Argentina increased from a year earlier. Shipments of unstemmed filler arriving from Mexico doubled those of a year earlier.

Stocks of Cuban tobacco in the United States on October 1, 1963, were 19.2 million pounds (unstemmed weight), 36 percent below a year earlier and 52 percent under 2 years earlier; however, they were still a little above those normally carried in this country during the 1956-58 period. (See table 10.) Stocks of Philippine tobacco totaled 13.2 million pounds (unstemmed weight), 4 percent lower than a year earlier and 6 percent below the record October 1961 level. Stocks of other foreign-grown cigar tobacco totaled 29½ million pounds (unstemmed weight)--29 percent larger than a year earlier and almost twice as much as 2 years earlier.

The percentage of stocks of foreign grown cigar tobacco held in the United States by supplying country and on specified dates, is as follows:

Country of origin	October 1 1961	October 1 1962	October 1 1963
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Cuba	65.0	45.1	30.9
Philippine Republic	17.9	20.6	21.3
Colombia		12.3	15.9
Dominican Republic		9.5	12.6
Brazil	*(17.1)	2.9	7.5
Paraguay		2.4	4.2
Indonesia		2.6	3.9
Other foreign		4.6	3.7
Total	100.0	100.0	100.0

*All other foreign grown combined--breakdown unavailable.

Specific quantities of foreign grown tobaccos in manufacturers and dealers stock on October 1 are shown on page 22.

Table 25.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
Average:							
1947-49	54.6	101.4	156.0	48.8	47.8	1.0	27.7
1950	56.0	115.8	171.8	45.6	45.0	.6	26.4
1951	56.2	126.2	182.4	50.0	49.3	.7	19.0
1952	37.9	132.4	170.3	51.2	50.8	.4	25.2
1953	38.2	119.1	157.3	51.6	51.4	.2	27.5
1954	48.8	105.7	154.5	41.5	41.4	.1	27.4
1955	45.7	113.0	158.7	55.0	54.6	.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	50.0	^{2/} 49.7	.3	23.5
1963 ^{3/}	50.0	128.0	^{4/} 183.0				
Ohio, Miami Valley (types 42-44)							
Average:							
1947-49	10.2	24.5	34.7	8.7	8.7		26.3
1950	10.5	28.0	38.5	7.3	7.3		18.6
1951	7.3	31.2	38.5	10.0	10.0		24.4
1952	8.8	28.5	37.3	10.0	10.0		25.0
1953	6.6	27.3	33.9	9.8	9.8		18.5
1954	8.0	24.1	32.1	9.2	9.2		22.5
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.4	20.2	27.6	6.5			28.4
1963 ^{3/}	6.8	21.1	27.9				
Puerto Rico (type 46)							
Average:							
1947-49	26.4	65.0	91.4	34.0	29.8	4.2	24.8
1950	25.5	51.1	76.6	28.8	28.5	.3	28.0
1951	28.1	47.8	75.9	34.1	33.8	.3	30.0
1952	34.3	41.8	76.1	28.9	28.6	.3	32.0
1953	34.1	47.2	81.3	32.1	32.0	.1	30.0
1954	34.0	49.2	83.2	23.9	23.8	.1	30.5
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	27.6	42.4	70.0	26.2	25.8	.4	32.2
1960	27.1	43.8	70.9	27.6	27.5	.1	34.2
1961	30.4	43.3	73.7	32.1	32.1	neg.	37.2
1962	35.6	41.6	77.2	28.0	28.0	--	38.0
1963 ^{3/}	^{5/} 34.0	49.2	83.2				

^{1/} Year beginning October 1. ^{2/} Disappearance calculation adjusted for farm stocks of 1962 tobacco still remaining at the farm level in late September 1963. ^{3/} Subject to revision. ^{4/} Includes 1963 crop, commercial stocks, and farm stocks of 1962 tobacco. ^{5/} Production quota for crop to be planted late in 1963.

Table 26. --Cigar binder tobacco types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks October 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Broadleaf (type 51)							
Average: 1947-49	14.4	28.5	42.9	14.7	12.4	2.3	54.7
1950	16.4	27.7	44.1	14.3	13.3	1.0	52.0
1951	14.5	29.8	44.3	14.1	13.2	.9	51.0
1952	14.8	30.2	45.0	14.5	13.8	.7	50.0
1953	14.7	30.5	45.2	13.4	12.7	.7	58.4
1954	13.3	31.8	45.1	11.7	11.5	.2	56.5
1955	12.1	33.4	45.5	14.7	14.3	.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5
1963 ^{2/}	3.5	15.5	19.0				
Connecticut Valley Havana Seed (type 52)							
Average: 1947-49	14.8	18.5	33.3	11.9	9.1	2.8	59.2
1950	15.2	25.0	40.2	12.9	11.2	1.7	39.8
1951	11.2	27.3	38.5	11.0	9.1	1.9	42.6
1952	9.6	27.5	37.1	12.9	11.5	1.4	48.9
1953	12.0	24.2	36.2	11.9	10.8	1.1	54.9
1954	11.9	24.3	36.2	12.9	12.2	.7	44.0
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5
1963 ^{2/}	2.0	10.1	12.1				
Total Connecticut Valley (types 51-52)							
Average: 1947-49	29.2	47.0	76.2	26.6	21.5	5.1	56.9
1950	31.6	52.7	84.3	27.2	24.5	2.7	46.1
1951	25.7	57.1	82.8	25.1	22.3	2.8	47.3
1952	24.4	57.7	82.1	27.4	25.3	2.1	49.6
1953	26.7	54.7	81.4	25.3	23.5	1.8	56.8
1954	25.2	56.1	81.3	24.6	23.7	.9	50.6
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	9.0	8.1	.9	42.6
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5
1963 ^{2/}	5.5	25.6	31.1				

^{1/} Year beginning October 1. ^{2/} Subject to revision.

Table 27.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Southern Wisconsin (type 54)							
Average:							
1947-49	13.4	38.3	51.7	12.7	12.5	0.2	22.5
1950	13.2	40.1	53.3	13.0	13.0		23.5
1951	10.4	40.3	50.7	16.0	16.0		25.3
1952	8.3	34.7	43.0	9.7	8.1	1.6	19.5
1953	7.2	33.3	40.5	10.0			
1954	7.5	30.5	38.0	9.0	8.5	.5	24.3
1955	6.7	29.0	35.7	10.3	9.9	.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.7	neg.	29.3
1963 2/	8.1	24.3	32.4				
Northern Wisconsin (type 55)							
Average:							
1947-49	19.6	36.3	55.9	18.5	17.5	1.0	28.8
1950	18.7	40.8	59.5	16.4	16.3	.1	28.1
1951	12.9	43.1	56.0	15.6	15.5	.1	31.3
1952	13.6	40.4	54.0	18.6	18.4	.2	31.4
1953	12.8	35.4	48.2	16.4	16.1	.3	31.9
1954	15.4	31.8	47.2	16.3	16.1	.2	32.7
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963 2/	8.8	27.6	36.4				
Total Wisconsin types (54-55)							
Average							
1947-49	33.0	74.6	107.6	31.2	30.0	1.2	26.2
1950	31.9	80.9	112.8	29.4	29.3	.1	26.2
1951	23.3	93.4	106.7	31.6	31.5	.1	28.6
1952	21.9	75.1	97.0	28.3	26.5	1.8	26.9
1953	20.0	68.7	88.7	26.4	26.1	.3	25.8
1954	22.9	62.3	85.2	25.3	24.6	.7	30.0
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963 2/	16.9	51.9	68.8				

1/ Year beginning October 1.

2/ Subject to revision.

Binder: The 1963-64 supply of Connecticut Valley Broadleaf was 19 million pounds, a record low and about 2-3/4 million below 1962-63. The decline was due to less carryover. The 1963-64 supply of Connecticut Valley Havana Seed at just over 12 million pounds, is about 1-1/4 million below 1962-63 and also a record low. Both production and carryover declined.

The 1963-64 supply of Southern Wisconsin tobacco, at a little over 32 million pounds, is close to each of the preceding 2 years. An increase in carryover offset a moderate decline in the size of the crop. The 1963-64 supply of Northern Wisconsin tobacco at almost 36-1/2 million pounds is about 2-1/4 million below the level of the 2 previous years, mostly due to less production. Production of Northern Wisconsin tobacco in 1963 was the smallest in many years.

1964 Marketing Quotas and Acreage Allotments: By February 1, 1964, the 1964 marketing quotas and acreage allotments will be announced for (1) Connecticut Valley binder types 51-52, and (2) Ohio filler types 42-44 and binder types 53-55 (principally Wisconsin). These kinds of tobacco have been under marketing quotas every year since 1952 and last February growers approved the continuation of quotas through the 1965 crop.

A quota has never been in effect on Pennsylvania filler type 41. Pennsylvania growers last disapproved quotas in a referendum in February 1962; under the legal provisions applying to this type the next opportunity to vote on marketing quotas will come in early 1965 and would be applicable to the 1965, 1966 and 1967 crops. The Government of Puerto Rico for many years has set a quota for Puerto Rican cigar filler (type 46).

Marketing quotas and acreage allotments are not provided in existing legislation for shade-grown cigar wrapper types grown in the Connecticut Valley and Georgia-Florida.

Wrapper: The 1963-64 supply of Connecticut Valley shade-grown wrapper, at 25.3 million pounds, is down four-tenths of a million and the lowest in 4 years. This year's crop is estimated to be a little lower than last year but carryover was nearly even.

The total 1963-64 supply of Georgia-Florida wrapper, at 15.6 million pounds, was down about 1.8 million from a year earlier and smallest in 4 years. Both production and carryover declined from a year earlier.

Domestic Use and Exports

Filler: Domestic use of Pennsylvania filler during October 1962-September 1963, at nearly 50-1/2 million pounds, was 5 million larger than a year earlier and the largest in 7 years. Exports, though relatively small, also increased--most going to Canada. Domestic use of Ohio filler, at 6-1/2 million pounds, was well above the unusual low of 1961-62 and the same as in each of the preceding 2 years. Domestic use of Puerto Rican filler, at close to 28 million pounds, declined more than 4 million below the 10-year-high of a year earlier.

Table 28 --Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)							
Year	Production	Stocks July 1	Supply	Disappearance ^{1/}			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Connecticut Valley Shade-grown (type 61)							
Average							
1947-49	10.2	11.0	21.0	8.9			268.3
1950	9.1	13.6	22.7	9.7			205.0
1951	8.2	13.0	21.2	8.3			205.0
1952	8.9	12.9	21.8	10.8			210.0
1953	10.3	11.0	21.3	9.9			205.0
1954	9.9	11.4	21.3	10.2			215.0
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	15.1	27.1	11.4	8.9	2.5	190.0
1961	10.3	15.7	26.0	12.2	8.9	3.3	235.0
1962	11.9	13.8	25.7	12.0	9.2	2.8	250.0
1963 ^{2/}	11.6	13.7	25.3				
Georgia-Florida Shade-grown (type 62)							
Average							
1947-49	5.2	3.8	9.1	4.3			235.0
1950	6.4	5.9	12.3	5.4			200.0
1951	6.8	6.9	13.7	5.4			180.0
1952	5.8	8.3	14.1	5.8			180.0
1953	4.5	8.3	12.8	6.0			195.0
1954	6.6	6.8	13.4	6.5			195.0
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.6	16.9	6.5	5.5	1.0	200.0
1961	8.8	10.4	19.2	9.2	6.6	2.6	190.0
1962	7.4	10.0	17.4	8.5	6.4	2.1	200.0
1963 ^{2/}	6.7	8.9	15.6				
Total Shade-grown (types 61-62)							
Average							
1947-49	15.3	14.8	30.1	13.3	11.2	2.1	257.0
1950	15.5	19.4	34.9	14.9	11.3	3.6	203.0
1951	14.9	20.0	34.9	13.7	10.1	3.6	194.0
1952	14.7	21.2	35.9	16.6	12.2	4.4	198.0
1953	14.8	19.3	34.1	15.9	12.2	3.7	202.0
1954	16.4	18.2	34.6	16.6	12.4	4.2	207.0
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	22.7	44.0	17.9	14.4	3.5	194.0
1961	19.1	26.1	45.2	21.4	15.5	5.9	214.0
1962	19.3	23.8	43.1	20.5	15.6	4.9	231.0
1963 ^{2/}	18.3	22.6	40.9				

^{1/} Year beginning July 1.^{2/} Subject to revision.

Foreign cigar tobacco: Based on changes in stock, use of Cuban tobacco during October 1962-September 1963 was 11 million pounds (unstemmed weight)--8 million less than in 1961-62 and about $15\frac{1}{2}$ million pounds below 1960-61. Disappearance of Philippine tobacco during 1962-63 was about $15\frac{1}{2}$ million pounds (unstemmed weight), some $1\frac{1}{2}$ million above 1961-62 and 5 million larger than 1960-61. The 1962-63 tobacco imports for consumption from Colombia and Dominican Republic each approximated 6 million pounds (unstemmed equivalent)--each up roughly 2 million from 1961-62 and nearly 5 million above 1960-61.

Imports from Brazil, at about $2\text{-}3\frac{1}{4}$ million pounds (unstemmed equivalent), were up significantly from the roughly 600,000 pounds in 1961-62 and 350,000 pounds in 1960-61. The 1962-63 tobacco imports from Indonesia, at 1.1 million pounds, were about a half-million higher than 1961-62. Approximately two-thirds of a million pounds (unstemmed weight) of Mexican tobacco moved into consumption channels in 1962-63 in contrast with negligible quantities a year earlier. About two-thirds of a million pounds was imported for consumption from Paraguay and a half-million pounds from Argentina--both significantly above a year earlier.

Binder: The domestic use of Connecticut Valley Broadleaf in 1962-63, at 6.0 million pounds, was sharply higher than in 1961-62 and the largest in 5 years. This traditionally-binder type is reportedly being used successfully in filler blends. The 1962-63 domestic use of Connecticut Valley Havana Seed, at 2.6 million pounds, was moderately above a year earlier. Exports of Broadleaf are comparatively small but for Havana Seed comprise a more significant outlet. During October 1962-September 1963, Havana Seed exports were down from a year earlier--due to smaller takings by West Germany and the Canary Islands.

The 1962-63 domestic use of Southern Wisconsin tobacco, at 7.7 million pounds, was 1.2 million below the 5-year high of a year earlier; domestic use of Northern Wisconsin tobacco, at 10.8 million pounds, was slightly above the long-time low of 1961-62. Exports of Wisconsin tobacco were smaller than in 1961-62--reflecting a sharp cutback in takings by East Germany.

Manufactured sheet binders have replaced natural leaf binders on 90 percent or more of cigars and cigarillos. The principal constituents of cigar binder sheet (according to stocks data) are Pennsylvania filler (type 41), Connecticut Valley Broadleaf (type 51), Connecticut Valley wrapper (type 61), Northern Wisconsin (type 55) and Connecticut Valley Havana Seed (type 52).

Wrapper: The July 1962-June 1963 domestic use of Connecticut Valley wrapper, at 9.2 million pounds, was a bit higher than each of the previous 2 years and well above most other previous years. Exports of Connecticut Valley wrapper in 1962-63 were about 15 percent below a year earlier, due mainly to declines in shipments to West Germany, East Germany, Canada and the Canary Islands. During the first third of the 1963-64 marketing year (July-October 1963), exports of Connecticut Valley wrapper were over 50 percent above the same months a year earlier, with sharp rises in shipments to United Kingdom, East Germany and Canada.

The 1962-63 domestic use of Georgia-Florida wrapper, at 6.4 million pounds, was slightly lower than 1961-62 but above prior years. Exports in 1962-63 were somewhat below 1961-62 due to a sharp drop in shipments to East Germany and the Netherlands. During the first third of 1963-64, exports of Georgia-Florida wrapper were 9 percent above the same period of 1962-63--due principally to larger shipments to West Germany and Sweden. None was reported going to East Germany in sharp contrast with a year earlier.

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: The Tobacco Situation is published in :
: March, June, September, and December. :
:
: The next issue is scheduled for release :
: in March 1964. :
:

CHARTS

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Table 29.--Tobacco leaf represented in stocks of tobacco sheet on specified dates 1/

Types	1962	1963			
	October 1	January 1	April 1	July 1	October 1
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Flue-cured (type 11-14)					
Unstemmed	147	176	158	105	74
Stemmed	3,367	3,501	3,844	3,821	3,428
Subtotal	3,514	3,677	4,002	3,926	3,502
Burley (type 31)					
Unstemmed	0	0	0	0	0
Stemmed	1,469	1,602	1,849	1,865	1,638
Subtotal	1,469	1,602	1,849	1,865	1,638
Foreign grown (type 90)					
Unstemmed	151	141	160	155	98
Stemmed	438	442	477	495	392
Subtotal	589	583	637	650	490
Total for cigarettes (including smoking tobacco)					
Unstemmed	298	332	318	260	172
Stemmed <u>2/</u>	5,300	5,565	6,207	6,215	5,487
Subtotal <u>2/</u>	5,598	5,897	6,525	6,475	5,659
Pennsylvania (type 41)					
Unstemmed	69	47	31	30	20
Stemmed	584	681	670	789	527
Subtotal	653	728	701	819	547
Connecticut Valley (type 51)					
Unstemmed	731	551	539	548	489
Stemmed	109	78	82	81	72
Subtotal	840	629	621	629	561
Connecticut Valley (type 52)					
Unstemmed	190	284	181	139	144
Stemmed	0	0	0	0	0
Subtotal	190	284	181	139	144
Northern Wisconsin (type 55)					
Unstemmed	229	130	233	249	225
Stemmed	28	5	1	7	5
Subtotal	257	135	234	256	230
Connecticut Valley (type 61)					
Unstemmed	105	53	55	33	60
Stemmed	254	265	272	248	222
Subtotal	359	318	327	281	282
Cuba-Havana (type 81)					
Unstemmed	78	0	0	0	0
Stemmed	21	134	138	115	66
Subtotal	99	134	138	115	66
Total for cigars <u>3/</u>					
Unstemmed	1,414	1,091	1,064	1,007	945
Stemmed	1,191	1,376	1,423	1,520	1,101
Subtotal	2,605	2,467	2,487	2,527	2,046
Grand total for all types	8,203	8,364	9,012	9,002	7,705

1/ Does not include tobacco stems added in manufacturing process.2/ Includes very small quantity of Maryland (type 32).3/ Includes small quantities of mostly other cigar types not separately listed.

Table 30 --Acreage of tobacco in the United States, by class and type, annual 1960-63 and percentages

Class and type	1960	1961	1962 1/	1963 1/	Percent- age change 1962 to 1963
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Percent
Old and Middle Belt, type 11	249.0	252.5	264.5	251.5	- 4.9
Eastern North Carolina, type 12	223.0	225.0	234.0	223.0	- 4.7
South Carolina, type 13	135.5	136.0	142.0	135.5	- 4.6
Georgia and Florida type 14	84.3	85.0	89.3	85.0	- 4.8
Total flue-cured, types 11-14	691.8	698.5	729.8	695.0	- 4.8
Virginia, type 21	7.3	7.5	7.6	6.7	-11.8
Kentucky and Tennessee, type 22	19.0	20.3	20.5	19.9	- 2.9
Kentucky and Tennessee, type 23	6.9	7.6	8.0	7.9	- 1.2
Total fire-cured, types 21-23	33.2	35.4	36.1	34.5	- 4.4
Burley, type 31	295.7	318.9	338.6	338.5	0
Maryland, type 32	37.5	40.0	41.5	34.5	-16.9
One Sucker, type 35	8.7	9.0	9.2	9.2	0
Green River, type 36	4.3	4.5	4.7	4.5	- 4.3
Virginia sun-cured, type 37	1.8	2.1	2.2	1.5	-31.8
Total dark air-cured, types 35-37	14.8	15.6	16.1	15.2	- 5.6
Pennsylvania, Seedleaf, type 41	31.0	31.0	30.0	27.0	-10.0
Miami Valley, types 42-44	4.3	4.6	4.2	4.0	- 4.8
Total cigar filler, types 41-44	35.3	35.6	34.2	31.0	- 9.4
Connecticut Valley Broadleaf, type 51	2.1	1.7	1.5	1.8	20.0
Connecticut Valley Havana Seed, type 52	1.7	1.2	1.1	1.0	- 9.1
Southern Wisconsin, type 54	5.7	5.4	4.9	4.6	- 6.1
Northern Wisconsin, type 55	8.9	8.3	7.2	6.1	-15.3
Total cigar binder, types 51-55	18.4	16.6	14.7	13.5	- 8.2
Connecticut Valley Shade-grown, type 61	8.4	7.7	7.9	7.8	- 1.3
Georgia and Florida Shade-grown, type 62	6.2	5.7	5.3	5.1	- 3.8
Total cigar wrapper, types 61-62	14.6	13.4	13.2	12.9	- 2.3
Louisiana Perique, type 72	.3	.4	.35	.25	-28.6
Total all types	1,141.6	1,174.4	1,224.6	1,175.3	- 4.0

1/ Subject to revision.

Table 31.--Tobacco: Acreage in the United States, by types, for specified periods, with percentages

Period	Flue-	Bur-	Mary-	Fire-cured	Dark	Va.	Cigar							Total 1/ acres
	cured	ley	land	Va.	Ky-Tenn	air- cured	sun- cured	Filler			Binder		Wrap-	
	11-14	31	32					41	42-44	46	51-52	54-55	per 61-62:	
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres	acres
Averages:														
1947-49	993.5	433.3	48.0	12.0	56.9	29.2	3.2	36.1	6.8	33.5	18.2	22.5	14.8	1,709.6
1950	958.4	408.3	50.0	9.8	43.1	25.5	3.2	37.3	7.8	34.0	18.9	22.1	13.7	1,633.0
1951	1,110.1	456.1	53.0	10.0	39.0	23.0	3.5	34.9	4.9	33.8	15.3	15.8	13.6	1,813.7
1952	1,111.3	463.5	50.0	9.8	37.6	22.9	3.4	23.7	5.7	35.6	15.1	15.1	13.1	1,807.4
1953	1,021.8	419.7	45.0	9.9	38.4	22.3	3.7	25.8	4.7	40.5	14.6	14.3	12.3	1,673.4
1954	1,042.2	420.9	50.0	10.0	42.0	21.8	4.1	29.2	4.6	36.9	14.4	15.0	13.0	1,704.4
1955	990.7	310.6	47.0	9.1	39.1	20.0	4.2	29.5	4.4	35.1	13.4	14.3	12.9	1,530.5
1956	875.3	309.8	43.7	8.5	38.5	19.3	3.1	29.0	3.9	25.5	7.2	11.8	13.3	1,389.0
1957	662.7	306.6	37.0	6.9	24.7	14.5	2.6	29.0	3.6	25.8	4.3	11.6	13.1	1,148.2
1958	639.4	297.1	34.0	6.8	24.3	12.7	1.6	30.0	3.0	23.5	2.9	13.0	12.9	1,101.4
1959	693.3	301.0	40.0	7.6	27.6	13.2	2.1	31.0	3.9	25.6	4.5	13.9	14.0	1,177.6
1960	691.8	295.7	37.5	7.3	25.9	13.0	1.8	31.0	4.3	26.8	3.8	14.6	14.6	1,168.7
1961	698.5	318.9	40.0	7.5	27.9	13.5	2.1	31.0	4.6	27.6	2.9	13.7	13.4	1,202.0
1962	729.8	338.6	41.5	7.6	28.5	13.9	2.2	30.0	4.2	28.5	2.6	12.1	13.2	1,253.1
1963 ^{2/}	695.0	338.5	34.5	6.7	27.8	13.7	1.5	27.0	4.0	27.7	2.8	10.7	12.9	1,203.0
Percentage change														
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Av. 1947-49														
to 1963	-30.0	-21.9	-28.1	-44.2	-51.1	-53.1	-53.1	-25.3	-41.2	-17.3	-84.6	-52.4	-12.8	-29.6
1962 to														
1963	-4.8	0	-16.9	-11.8	-2.5	-1.4	-31.8	-10.0	-4.8	-2.8	7.7	-11.6	-2.3	-4.0

1/ Total includes types 45, 56, 24 and 53 ended in 1939, 1948, 1949 and 1953, respectively. Also may not add due to rounding. 2/ Subject to revision.

Table 32.--Tobacco: Yield per acre in the United States, by types, for specified periods, with percentages

Period	Flue-	Bur-	Mary-	Fired-cured	Dark	Va.	Cigar							Total 1/ Lb.
	cured	ley	land	Va.	Ky-Tenn	air- cured	sun- cured	Filler			Binder		Wrap-	
	11-14	31	32					41	42-44	46	51-52	54-55	per 61-62:	
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Averages:														
1947-49	1,186	1,267	790	1,088	1,128	1,133	942	1,510	1,504	790	1,607	1,467	1,033	1,196
1950	1,312	1,222	800	1,310	1,054	983	1,120	1,500	1,350	750	1,670	1,446	1,130	1,259
1951	1,309	1,355	785	1,340	1,183	1,204	1,145	1,610	1,480	831	1,676	1,473	1,098	1,301
1952	1,229	1,403	805	1,250	1,223	1,314	1,100	1,600	1,550	963	1,620	1,447	1,124	1,267
1953	1,245	1,345	900	930	1,034	1,060	790	1,480	1,400	842	1,833	1,400	1,203	1,251
1954	1,261	1,586	875	1,060	1,229	1,395	900	1,670	1,750	921	1,754	1,530	1,264	1,336
1955	1,497	1,513	670	1,155	1,399	1,391	775	1,550	1,700	855	1,643	1,475	1,213	1,453
1956	1,625	1,635	840	1,260	1,555	1,592	1,030	1,670	1,625	941	1,849	1,716	1,290	1,583
1957	1,471	1,592	1,040	1,245	1,411	1,367	1,030	1,420	1,270	1,035	1,940	1,709	1,442	1,476
1958	1,691	1,567	915	1,385	1,393	1,269	1,170	1,700	835	1,089	1,867	1,682	1,283	1,600
1959	1,559	1,669	780	1,320	1,560	1,466	1,040	1,725	1,770	1,062	1,681	1,502	1,325	1,533
1960	1,808	1,639	925	1,220	1,411	1,403	995	1,700	1,535	1,011	1,802	1,431	1,460	1,687
1961	1,801	1,820	970	1,300	1,552	1,525	1,045	1,725	1,665	1,101	1,856	1,640	1,429	1,671
1962	1,930	1,992	975	1,255	1,566	1,619	1,040	2,000	1,760	1,249	2,003	1,621	1,464	1,875
1963 ^{2/}	1,957	2,097	800	1,000	1,656	1,667	800	1,850	1,700	n.a.	1,959	1,579	1,421	1,917
Percentage change														
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Av. 1947-49														
to 1963	65.0	65.5	1.3	-8.1	46.8	47.1	-15.1	22.5	13.0	---	21.9	7.6	37.6	60.2
1962 to														
1963	1.4	5.3	-17.9	-20.3	5.7	3.0	-23.1	-7.5	-3.4	---	-2.2	2.6	-2.9	2.2

1/ Total includes types 45, 56, 24, and 53 ended in 1939, 1948, 1949 and 1953, respectively. 2/ Subject to revision. n.a. not available.

Table 33.--Tobacco: Acreage, yield, production, stocks, supply, disappearance, price and crop value, United States and United States including Puerto Rico, for specified years (farm-sales weight)

Crop year	Acreage	Yield	Production	Stocks 1/	Supply	Disappearance 1/			Average price per pound	Value of crop
						Total	Domestic	Exports		
	1,000 acres	Pound	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents	Million dollars
Average										
1925-29	1,756	773	1,356	1,764	3,120	1,387	787	600	18.7	253
1935-39	1,647	883	1,460	2,151	3,611	1,358	900	458	19.5	278
1945	1,821	1,094	1,991	2,390	4,381	1,928	1,334	594	42.6	848
1946	1,961	1,181	2,315	2,453	4,768	2,012	1,355	657	45.1	1,044
1947	1,852	1,138	2,107	2,756	4,863	1,850	1,413	437	43.6	918
1948	1,554	1,274	1,980	3,013	4,993	1,922	1,417	505	48.2	955
1949	1,623	1,213	1,969	3,071	5,040	1,951	1,420	531	45.9	905
1950	1,599	1,269	2,030	3,089	5,119	1,975	1,452	523	51.7	1,049
1951	1,780	1,310	2,332	3,144	5,476	2,072	1,488	584	51.1	1,191
1952	1,772	1,273	2,256	3,404	5,660	2,055	1,557	498	49.9	1,125
1953	1,633	1,261	2,059	3,605	5,664	1,995	1,480	515	52.3	1,076
1954	1,668	1,346	2,243	3,669	5,912	1,935	1,419	516	51.1	1,147
1955	1,495	1,466	2,193	3,977	6,170	2,058	1,410	648	53.2	1,166
1956	1,364	1,596	2,176	4,112	6,288	1,929	1,373	556	53.7	1,169
1957	1,122	1,486	1,668	4,359	6,027	1,921	1,393	528	56.1	936
1958	1,078	1,611	1,737	4,106	5,843	1,923	1,388	535	59.9	1,040
1959	1,153	1,558	1,796	3,920	5,716	1,928	1,425	503	58.3	1,048
1960	1,142	1,703	1,944	3,788	5,732	2,030	1,463	567	60.9	1,186
1961	1,174	1,755	2,061	3,703	5,764	2,051	1,461	590	63.8	1,315
1962 2/	1,225	1,890	2,314	3,713	6,027	2,005	1,474	531	58.9	1,363
1963 2/	1,175	1,933	2,272	4,022	6,294					
United States and Puerto Rico										
Average:										
1935-39	1,689	878	1,490	2,211	2,701	1,389	931	458	19.3	282
1945	1,857	1,089	2,023	2,465	4,488	1,957	1,363	594	42.5	860
1946	1,987	1,177	2,339	2,531	4,870	2,040	1,383	657	44.9	1,050
1947	1,884	1,132	2,133	2,830	4,963	1,882	1,444	438	43.4	925
1948	1,586	1,265	2,007	3,081	5,088	1,964	1,450	514	47.9	962
1949	1,659	1,203	1,995	3,124	5,119	1,979	1,446	533	45.6	910
1950	1,633	1,259	2,056	3,140	5,196	2,004	1,480	524	51.4	1,056
1951	1,814	1,301	2,360	3,192	5,552	2,106	1,522	584	50.8	1,200
1952	1,808	1,267	2,290	3,446	5,736	2,084	1,586	498	49.6	1,136
1953	1,673	1,251	2,093	3,652	5,745	2,027	1,512	515	51.9	1,086
1954	1,705	1,336	2,278	3,718	5,996	1,959	1,443	516	50.8	1,157
1955	1,530	1,453	2,223	4,037	6,260	2,090	1,442	648	52.8	1,174
1956	1,390	1,583	2,200	4,170	6,370	1,960	1,403	557	53.5	1,176
1957	1,148	1,476	1,694	4,410	6,104	1,948	1,420	528	55.6	943
1958	1,102	1,600	1,762	4,156	5,918	1,956	1,420	536	59.1	1,042
1959	1,178	1,533	1,824	3,962	5,786	1,954	1,450	504	57.6	1,052
1960	1,169	1,687	1,971	3,832	5,803	2,057	1,490	567	60.6	1,195
1961	1,202	1,671	2,091	3,746	5,837	2,083	1,493	590	63.4	1,326
1962 2/	1,253	1,875	2,350	3,754	6,104	2,033	1,502	531	58.6	1,377
1963 2/	1,203	1,917	2,306	4,071	6,377					

1/ For flue-cured and cigar wrapper, year beginning July 1; for all other types, Oct. 1.

2/ Preliminary.

Table 34.--Tobacco manufactures: Net sales, net income, and profit ratios, annual 1947-62, by quarters 1962-63

Period	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Million dollars	Million dollars	Million dollars	Cents	Cents	Percent	Percent
1947	2,641	178	109	6.7	4.1	16.6	10.1
1948	3,081	257	159	8.3	5.2	22.0	13.7
1949	3,061	250	156	8.2	5.1	20.2	12.6
1950	3,129	281	152	9.0	4.9	21.3	11.5
1951	3,378	295	129	8.7	3.8	21.7	9.5
1952	3,702	285	120	7.7	3.2	19.8	8.4
1953	3,768	338	138	9.0	3.7	22.9	9.4
1954	3,672	329	156	9.0	4.2	21.5	10.2
1955	3,796	388	183	10.2	4.8	24.2	11.4
1956	3,959	413	197	10.4	5.0	24.6	11.7
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
1961	5,300	630	303	11.9	5.7	28.3	13.6
1962	5,340	634	306	11.9	5.7	27.1	13.1
Quarterly							
1962							
1	1,237	140	67	11.3	5.4	24.5	11.7
2	1,357	157	75	11.6	5.5	27.0	12.9
3	1,385	169	81	12.2	5.8	28.6	13.7
4	1,361	168	83	12.3	6.1	28.3	14.0
1963							
1	1,249	138	66	11.0	5.3	23.1	11.1
2	1,415	170	82	12.0	5.8	28.1	13.6
3	1,464	185	89	12.6	6.1	29.9	14.4

NOTE: The 1947-50 data lack strict comparability with the series beginning 1951. Compiled and adapted from Quarterly Financial Reports for Manufacturing Corporations, Federal Trade Commission Securities and Exchange Commission.

STATISTICAL SUMMARY

Item	Unit or base period	1962		1963		Last data as percentage of a year earlier	
		Oct.	Nov.	Sept.	Oct.		Nov.
Average price at auctions							
Flue-cured	Ct. per lb.	60.1	59.7	60.7	58.6	52.7	88
Burley	Ct. per lb.	Closed	61.9	C - l - o - s - e - d		60.1	97
Maryland	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Virginia fire-cured	Ct. per lb.	Closed	40.2	C - l - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Parity prices 1/							
Flue-cured	Ct. per lb.	69.4	69.4	72.8	72.8	72.8	105
Burley	Ct. per lb.	73.7	73.7	77.1	77.1	77.1	105
Maryland	Ct. per lb.	65.1	65.1	69.4	69.4	69.4	107
Virginia fire-cured	Ct. per lb.	45.7	45.7	47.6	47.6	47.6	104
Ky.-Tenn. fire-cured	Ct. per lb.	47.3	47.3	48.8	48.8	48.8	103
Ky.-Tenn. dark air-cured	Ct. per lb.	42.4	42.4	44.5	44.5	44.5	105
Virginia sun-cured	Ct. per lb.	42.4	42.4	44.5	44.5	44.5	105
Pa. cigar filler	Ct. per lb.	32.8	32.8	33.6	33.6	33.6	102
Conn. Valley cigar binder	Ct. per lb.	49.1	49.1	51.9	51.9	51.9	106
Wis. binder and Ohio filler	Ct. per lb.	35.6	35.6	37.3	37.3	37.3	105
Puerto Rican filler	Ct. per lb.	37.5	37.5	39.8	39.8	39.8	106
Parity index 2/	1910-14=100	307	307	311	311	311	101
Industrial production index 3/	1957=100	120	120	126	127	127	106
Employment	Mil.	68.9	68.0	69.5	69.9	69.3	102
Personal income 4/	Bil. dol.	446	447	467	471	473	106

See footnotes at end of table.

Continued -

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1962		1963		Last data as percentage of a year earlier
		Sept.	Oct.	Aug.	Sept.	Oct.
Exports of leaf tobacco						
(farm-sales weight)						
Flue-cured	Mil. lb.	77.8	44.3	37.4	67.3	77.9
Burley	Mil. lb.	4.4	5.0	5.3	4.6	3.4
Maryland	Mil. lb.	1.4	.8	.3	1.2	1.3
Virginia fire- & sun-cured	Mil. lb.	.8	.1	.3	.3	.9
Ky.-Tenn. fire-cured	Mil. lb.	3.9	1.5	1.3	.7	1.4
Ky.-Tenn. dark air-cured	Mil. lb.	.1	*	.1	*	.4
Black Fat	Mil. lb.	.5	.2	.3	.2	.2
Cigar wrapper	Mil. lb.	.4	.3	.3	.7	.7
Connecticut binder	Mil. lb.	.1	.1	*	*	.1
Wisconsin binder	Mil. lb.	*	.1	.1	0	0
Accumulated from beginning of marketing year <u>8/</u>						
Flue-cured	Mil. lb.	140.9	185.2	67.1	134.4	212.3
Burley	Mil. lb.	45.3		48.4	52.9	
Maryland	Mil. lb.	11.9		10.0	11.2	
Virginia fire- & sun-cured	Mil. lb.	5.6		5.0	5.4	
Ky.-Tenn. fire-cured	Mil. lb.	28.8		17.0	17.7	
Ky.-Tenn. dark air-cured	Mil. lb.	1.7		1.1	1.1	
Black Fat	Mil. lb.	3.8		3.7	3.9	
Cigar wrapper	Mil. lb.	1.4	1.6	.9	1.6	2.3
Connecticut binder	Mil. lb.	1.2		.9	.9	
Wisconsin binder	Mil. lb.	.5		.3	.3	
Exports of manufactured tobacco						
in bulk	Mil. lb.	1.3	.5	1.0	.9	.6
Accumulated from Jan. 1	Mil. lb.	6.1	6.6	7.0	7.8	8.4
Q u a r t e r l y d a t a						
		1962		1963		
		July-Sept.	Oct.-Dec.	July-Sept.	Oct.-Dec.	
Tobacco stocks--1st of quarter <u>9/</u>						
Domestic types						
(farm-sales weight)						
Flue-cured	Mil. lb.	2,081	2,587	2,282	2,627	102
Burley	Mil. lb.	1,282	1,137	1,386	1,228	108
Maryland	Mil. lb.	80	76	84	86	113
Fire-cured	Mil. lb.	122	109	125	113	104
Dark air- and sun-cured	Mil. lb.	66	60	69	63	105
Cigar filler	Mil. lb.	211	185	225	198	107
Cigar binder	Mil. lb.	87	81	85	77	95
Cigar wrapper	Mil. lb.	24	28	23	26	93
Under Government loan <u>10/</u>	Mil. lb.	486	558	686	724	130
Tobacco sheet <u>11/</u>	Mil. lb.					
Cigarette types	Mil. lb.	6.0	5.6	9.0	5.7	102
Cigar types	Mil. lb.	2.6	2.6	2.5	2.0	77
Foreign types (unst. equiv.)						
Cigarette and smoking	Mil. lb.	302	269	298	265	99
Cigar	Mil. lb.	72	67	67	62	93
Tobacco outlets <u>12/</u>						
Seasonally adjusted data,						
annual rates, for charts, p.2:						
Cigarettes						
Production	Bil.	535	544	551	551	101
Taxable removals	Bil.	493	507	512	513	101
Cigar production	Bil.	7.11	6.91	7.70	7.31	106
Smoking production	Mil. lb.	67.1	70.4	69.6	71.4	101
Chewing production	Mil. lb.					
Scrap	Mil. lb.	32.8	32.3	33.5	33.2	103
Plug and other	Mil. lb.	31.3	32.1	31.4	31.8	99
Snuff production	Mil. lb.	33.9	34.5	33.2	33.8	98
Exports of leaf (farm-sales						
Total weight)	Mil. lb.	565	522	543	636	122
Flue-cured	Mil. lb.	453	404	446	526	130

1/ Based on data for month specified. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ Federal and applicable state and local taxes included. 7/ Unstemmed equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates. * Less than 50,000 pounds.

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The Tobacco Situation